

Labor Leadership Weakened By Stunning Loss in London



Michael Foot, the Labor Party leader, while walking his dog in London Friday morning. His leadership of the party is in question after the election loss in Bermondsey.

By R.W. Apple Jr.
New York Times Service

LONDON — A crushing defeat for the Labor Party in Thursday's by-election at Bermondsey has gravely weakened Michael Foot's position as Labor's leader, party officials conceded Friday.

The Labor nominee, Peter Tatchell, a 31-year-old left-winger, polled fewer than half as many votes as the victor, Simon Hughes, who was the candidate of the Liberal-Social Democratic alliance, even though Bermondsey was considered one of the half-dozen safest Labor seats in England. Labor had held it for 60 years. The swing from Labor was by far the largest in recent decades.

Voters interviewed by the BBC as they left the polls gave as their primary reasons for backing Mr. Hughes, an unknown 31-year-old lawyer, the prolonged infighting within the Labor Party as well as Mr. Tatchell's alleged extremism. Labor's share of the vote plummeted from 63.6 percent at the last general election in May 1979, to 26.1 percent Thursday.

Mr. Hughes, a Liberal, got 53 percent of the vote.

Mr. Foot, 69, issued a statement during the night saying, "I am staying as leader of the party because I was elected to do the job, to lead the party to victory at the next election." He conceded that the by-election defeat was a sharp setback but insisted that "Bermondsey will be won back for Labor at the general election."

That election is expected in June or October of this year or sometime next spring.

The pressures on Mr. Foot to quit are mounting. Most established Labor politicians, particularly those with marginal seats, expressed gloom or even despair about the party's prospects.

Mr. Foot inspired little confidence before the Bermondsey voting, and he now appears to inspire even less. His denunciations of Mr. Tatchell, from which he was forced to retreat, were cited by several senior figures as the beginning of what they called the debacle that engulfed the party Thursday.

Since he became Labor leader in 1980, Mr. Foot has repeatedly failed in his attempts to reconcile the quarrels between the party's militant left wing, of which Mr. Tatchell is a member, and its more moderate, more traditional right wing.

For the new party and its Liberal allies, the victory at Bermondsey constituted a desperately needed shot in the arm. It was the alliance's first victory in a thoroughly working-class, inner-city constituency, and its first capture of a previously Labor seat.

Three previous by-election victories came at the expense of the Tories.

Shirley Williams, the Social Democrats' president, said the result proved that Labor would "never form a government again." David Steel, the Liberal leader, commented: "This is not a victory, it is a complete rout."

The alliance's standing in the national polls, which has been depressed since the war in the Falkland Islands discredited public attention, can now be expected to rise, and it will make an all-out effort to win the forthcoming by-election at Darlington, in northeast England.

Mr. Foot's future will depend to a great extent on the trade union leaders who helped him to power in the first place. The key man in the coming weeks will probably be Moss Evans, the head of Britain's most powerful union, the Transport and General Workers. He voiced support for the leader as recently as last week, but there were unconfirmed reports Friday that he planned to meet Mr. Foot soon to discuss the leader's future.

Mr. Williams, a hypochondriac, was surrounded by obsessions about sickness, failure and death. Particularly in his later years, he was known to drink and take pills immediately. He feigned disinterest in reviews, but unfavorable ones were said to devastate him. He did not write for success, one friend said, but as a "biological necessity."

He was born March 26, 1911, in Columbus, Mississippi, and had an older sister, Rose, and a younger brother.

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Tennessee Williams

Plays Born of Anxieties

By McI Gussow

New York Times Service

Although seldom intentionally autobiographical, the plays of Tennessee Williams were almost all intensely personal — torn from his own private anguishes and anxieties.

Mr. Williams's work, which was unequalled in passion and imagination by any of his contemporaries, was a barrage of conflicts: of the blackest horrors offset by pity.

In her book about her son, "Remember Me to Tom," his mother once listed his subjects: "Murder, cannibalism, castration, madness, incest, rape, adultery, nymphomania, homosexuality." She added, with seeming pride, "There exists no savage act about which my son has not written."

The playwright himself, born Thomas Lanier Williams, said, "I can't express a human weakness on the stage unless I know it through having it myself."

"Yet, his plays are filled with beauty," his mother wrote, and Mr. Williams, too, saw a hopeful side to his writing. His basic premise, he said, was "the need for understand-

Tennessee Williams

ing and tenderness and fortitude among individuals trapped by circumstance."

Just as his work reflected his life, his life reflected his work. His father broke up his romance with his college sweetheart. It was his only known romantic relationship with a woman. She married someone else, and died early. When he was just out of college his sister lost her mind and was confined for life in a sanitarium.

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Simon Hughes, the Liberal-Social Democratic candidate, toasts his by-election victory.

Pentagon Decides Command Posts Too Vulnerable in a Nuclear War

By Philip Taubman
New York Times Service

WASHINGTON — The Defense Department, having concluded that Soviet warheads could disable the land-based command posts intended to serve as the government's nerve center in a nuclear war, has begun a major effort to develop mobile communication and control facilities.

A network of substitute command centers capable of surviving a nuclear attack, however, will not be fully operational until the late 1980s, according to senior department officials.

The increased emphasis on mobile facilities, which evolved in recent years and now is a key part of the Reagan administration's defense policy, represents a significant shift in strategic planning, according to officials.

It means they said, that defense planners no longer believe they can depend on the underground headquarters of the North American Air Defense Command and the Strategic Air Command to warn of multiple Soviet nuclear strikes and help coordinate an American response.

The air defense command, which is the heart of the U.S. early-warning system, is located in a futuristic subterranean complex at Cheyenne Mountain, Colorado, until recently was considered invulnerable. The Strategic Air Command, housed underground in Omaha, Nebraska, has targeting and operational control over the nation's long-range nuclear forces.

"I don't think Cheyenne Mountain will withstand a direct hit of a highly accurate, high-yield ICBM,"

said Donald C. Latham, deputy undersecretary of defense for research and engineering. ICBM stands for intercontinental ballistic missile.

Mr. Latham added that because current command facilities are considered to have "decreasing survivability" as the Russians develop more accurate missiles and stronger warheads, the Defense Department is upgrading airborne command centers and building mobile ground stations.

He said the backup facilities, while unable to duplicate all the capabilities of the land-based centers, would be sufficient to maintain basic operations during a nuclear war.

In his annual report to Congress, Defense Secretary Caspar W. Weinberger, commenting on proposed expenditures for mobile centers in the fiscal year beginning in October, said, "We need strategic command centers that will survive a nuclear attack and continue to support decision-making and control of our strategic forces."

The realization that land-based command centers, including two in the Washington area, could be knocked out of service by a Soviet first strike mirrors the conclusion, also reached in recent years, that U.S. land-based missiles are vulnerable to more accurate Soviet warheads.

The perceived vulnerability of the U.S. ICBM fleet, which many defense analysts believe gives an important strategic advantage to the Soviet Union, led to the development of the MX missile and the various proposals for basing it that are under review by a special panel

appointed by President Ronald Reagan.

Like the MX basing plan proposed during the Carter administration, which was designed to keep the Kremlin guessing about the location of the missiles by moving them in and out of launchers located along a giant "racetrack" in Utah and Nevada, mobile command centers would theoretically decrease the possibility of a direct hit by a Soviet warhead.

The concept is not new and the government has been investing in airborne command centers for many years. They include several modified Boeing 747 aircraft, called E-4Bs, that are hardened against the effects of nuclear detonations and contain sophisticated communications equipment.

In the event of nuclear war, if time and conditions permit, the president and his top aides are expected to board one of these aircraft.

Even the planes, however, are now considered vulnerable. Mr. Weinberger, in his report, said,

"We are concerned, however, about their ability to operate beyond the initial stages of a nuclear conflict."

As a backup for the planes, Mr. Weinberger reported that the government planned to develop and deploy "mobile command centers" and they have made it clear that they would be unlikely to deploy a new generation of American medium-range missiles if they won the March 6 vote.

Mr. Vogel started the shift in the Social Democrats' position by demanding that the United States match purported Soviet concessions at Geneva. Egon Bahr, the party's security expert, has sharp

criticisms of the MX basing plan.

The grossness of this attack was striking," said Mr. Sudhoff, adding that it was evidently "not just aimed at people east of the Urals. He called the transmission "an unabashed attempt to separate the Europeans from the Americans."

Coming only nine days before the election, the government blast appeared to reflect a calculation that both the Soviet Union and the opposition Social Democrats have gone too far in their criticism of the United States.

Led by their candidate for chancellor, Hans-Jochen Vogel, the Social Democrats have adopted an extremely critical posture toward senior Soviet officials. The visit appeared to reflect a wish to show that the Kohl government still has channels open to Moscow.

If the Soviet Union has been attempting to further Mr. Vogel's chances, the Christian Democrats have received important campaign support from U.S. President Ronald Reagan and President Francois Mitterrand of France, both of whom have indirectly attacked the Social Democrats' security policies.

Bonn Charges Russians With Interfering in Upcoming Vote

By James M. Markham
New York Times Service

BONN — The government of Chancellor Helmut Kohl accused the Soviet Union on Friday of "massive" interference in next month's general election.

The government regards with concern the massive and hitherto unprecedented manner in which the Soviet Union is interfering in the election and the internal politics of the Federal Republic of Germany. Jürgen Sudhoff, a government spokesman, said at a news conference.

Mr. Sudhoff referred to an appeal Thursday by the Soviet foreign minister, Andrei A. Gromyko, for West European nations to dissociate themselves from the American position at the Geneva arms limitation talks. He also mentioned a German-language broadcast on Radio Moscow that predicted social unrest in West Germany if Mr. Kohl's Christian Democrats won the March 6 election.

"We have shown great patience so far, but now it is time for reality to be acknowledged," said Mr. Sudhoff, who recalled that Mr. Gromyko, on a visit here last month, had claimed that Moscow had no favorite in the campaign.

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By pressing the accusation of Soviet meddling in the election, the government seems to feel that it can strengthen the impression that the leftward-drifting Social Democrats would leave West Germany isolated from its American and European allies should they triumph on March 6. This has become a central campaign theme of the Christian Democrats.

The government statement coincided with a visit to Moscow by the Foreign Ministry's senior arms negotiation expert, Friedrich Ruth, who met Thursday and Friday with senior Soviet officials. The visit appeared to reflect a wish to show that the Kohl government still has channels open to Moscow.

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OPEC May Yet Avert Collapse of Oil Prices

By Bob Hagerty
International Herald Tribune

LONDON — Chances appeared to be growing Friday for the Organization of Petroleum Exporting Countries to avoid or at least delay a collapse of crude oil prices.

Several industry sources said a

flurry of talks among OPEC and non-OPEC oil producers and a decision by Mexico to delay an expected price cut provided increasing evidence that the cartel would achieve an understanding that could prevent a price war. But the sources emphasized that the cartel still faces considerable danger that the price cuts announced last week by Britain, Norway and Nigeria could trigger uncontrollable price cutting.

"I'm no longer as gloomy about a potential collapse," said John C. Gault, an economist at IED Con-

sortants, a Geneva-based firm with links to several OPEC members.

He said OPEC may be seeking an agreement to support prices by limiting production.

An output limit, Mr. Gault said, might allow OPEC to support a price of around \$30 a barrel for Saudi light, down \$4 from the current benchmark price of \$34.

In apparent efforts to reach some understanding, a number of ministers met Friday. "At least they're talking to each other," a British oil executive said.

In Paris, Mexico's oil minister, Francisco Labastida, announced that his country would delay a price cut that had been expected Friday. Mr. Labastida had talks with the oil ministers of Algeria, Venezuela and Kuwait, all of which are OPEC members. Mexico's delay appeared to be aimed at giving OPEC more time to work on a price-supporting agreement.

Also on Friday, industry sources said, representatives of Venezuela

(Continued on Page 7, Col. 3)



Francisco Labastida, the Mexican oil minister, left, discussed prices Friday with Sheikh Ali Khalifa al-Sabah, right, the oil minister of Kuwait. At center is an interpreter.

To Many Bolivians, Barbie Was Expelled for Political Gain

By Jackson Diehl
Washington Post Service

LA PAZ — One Tuesday afternoon last month, Klaus Barbie took from his normal routine in this Andean capital to visit the Bolivian government comptroller's office. His business was relatively simple: to pay a six-year-old \$10,000 debt that represented his sole legal quarrel with Bolivia's new democratic government.

Barbie approached the officials on duty and announced he was prepared to pay. A dispute broke out. The officials insisted that the dollar debt be converted to Bolivian currency at the official exchange rate, which was then widely ignored. Barbie argued for a fairer price.

The result: officials in La Paz say, was that irritated bureaucrats in a minor Bolivian government agency decided to place one of the world's most wanted Nazi war

criminals under arrest, to the surprise of both the government leadership and the French and West German diplomats who had sought the extradition of Barbie for an ongoing extradition case in the Supreme Court.

The uncertain legality of the government's later actions, including the holding of Barbie incommunicado for 11 days and his expulsion on the ground that his 23-year-old Bolivian citizenship was not valid, have led many Bolivians to conclude that the government acted in the hope of quick political gains.

"Almost everywhere it is said that turning Barbie in leads to fortify the ties of friendship with France," the left-of-center newspaper *Presencia* said. "In other words, Bolivia presents itself in the not very complimentary role of somebody who turned somebody in for a reward."

Bolivian officials here say that they intended all along to expel the

former Nazi and had simply been awaiting the right moment. "The right moment came with his arrest because he was in our hands," said Foreign Minister Mario Velarde Doradoro. "He is a foreigner completely unwanted in Bolivia. He obtained citizenship under his false name in 1957

Gemayel, Cabinet Hold Emergency Talks on Habib Plan for Pullout

Compiled by Our Staff From Dispatches

BEIRUT — President Amin Gemayel and his cabinet met Friday night to examine the ideas of the U.S. presidential envoy, Philip C. Habib, on speeding up an agreement on troop withdrawal between Lebanon and Israel.

The meeting at the presidential palace in Baabda, 5 miles (8 kilometers) east of Beirut, followed extensive talks between Mr. Habib and the Lebanese foreign minister, Elie Salem. Mr. Salem and his sessions with Mr. Habib were "challenging to the progress" of negotiations to remove 60,000 Israeli, Syrians and remaining troops of the Palestine Liberation Organization from Lebanon and Israel.

Mr. Habib conferred in private with Mr. Gemayel before his morning

ing and afternoon sessions with Mr. Salem. The American and Lebanese delegations to the two-month-old negotiations attended both sessions with Mr. Salem.

Lebanese government spokesmen refused to spell out the ideas Mr. Habib was proposing "but it seems we're going to be moving faster toward an overall accord," one said.

Israel radio said that Prime Minister Menachem Begin told a key parliament committee Friday that the formula for ending the state of war with Lebanon has been drafted.

Mr. Begin told the Foreign Affairs and Defense Committee of the Knesset that working on the formula to end the state of belligerency had been achieved, the radio said, adding that he said there were still differences of opinion about a security zone of 24 to 30 miles that Israel is seeking in order to keep its northern border secure.

The other key areas on which Mr. Begin reported agreement on the drafting of texts with Lebanon were setting up liaison offices in Israel and Lebanon and how to prevent terrorist activities.

Israel has been insisting on observation posts in southern Lebanon to prevent the return of the PLO. Former Defense Minister Ariel Sharon had described these posts as being manned by small army contingents. Lebanon had opposed this.

The United States, a partner to the talks, has pushed for a rapid withdrawal of all foreign forces from Lebanon, including Israeli, Syrian and PLO troops.

[In Washington, U.S. officials,



Elie Salem

Egypt and Israel To Talk on Tabo

Compiled by Our Staff From Dispatches

CAIRO — Egypt and Israel will resume talks on the future of the disputed area of Tabo on March 2, an Egyptian Foreign Ministry statement said Friday.

The issue of Tabo, a half-mile-wide coastal strip south of the Israeli port of Eilat, has been in dispute since Israel's withdrawal from the Sinai in April.

The opening of an Israeli hotel in Tabo has brought an angry reaction from Egypt. Resumption of talks would be an important step in bettering Egyptian-Israeli relations, which deteriorated after Israel invaded Lebanon on June 6.

Israeli Declines Post of U.K. Envoy After Furor Over His Guerrilla Past

Reuters

JERUSALEM — Eliash Lankin, the Israeli ambassador to South Africa, has decided not to accept the post of ambassador in London because of the outcry over the appointment. Mr. Lankin was a guerrilla fighter against British forces during Israel's struggle for independence.

Israeli officials confirmed Friday that Mr. Lankin had notified his government that he would prefer to stay at his present post.

British politicians and newspaperers assailed his impending nomination, which also created a controversy in Israel.

Mr. Lankin a close friend of

Prime Minister Menachem Begin, was a commander in the Irgun underground movement that fought against the British before Israel became an independent state in 1948.

A number of Britons said in public that the appointment would stir bitter memories and put further strain on the already tense relations between Britain and Israel.

Some members of Britain's Jewish community also urged the Israeli government to reconsider the appointment.

The post of ambassador has been vacant since Shlomo Argov was seriously injured by a gunman last June. The attack on Mr. Argov preceded by a few days Israel's as-

sault on Palestine Liberation Or-

ganization in southern Lebanon.

Mr. Lankin was quoted this week in the Israeli newspaper Haaretz as saying that Britain had welcomed leaders of other anti-British liberation movements and was making an exception of him because "the English apparently have a special criteria for Jews."

His pending appointment had also been attacked by Israeli diplomats who complained that the foreign service was becoming increasingly politicized under Mr. Begin's government.

Unlike Mr. Argov, who is a career diplomat, Mr. Lankin is a political appointee.

Chinese Commentary Says Reagan Is 'Trampling' Accord on Taiwan

By Michael Parks
Los Angeles Times Service

BEIJING — China accused President Ronald Reagan on Friday of reneging on the six-month-old Chinese-American agreement that limits and pledges to reduce U.S. arms sales to Taiwan, and said such "trampling of solemn agreements" could not be tolerated.

An angry commentary by the official news agency Xinhua report attacked Mr. Reagan on his recent promises to continue supporting Taiwan politically and to continue selling it American weapons.

"This indicates a grave step backward in the U.S. position," according to the commentary. "This development is unfortunate and contrary to our expectation that the August communiqué would lift the dark cloud over the Sino-American relations and would lead to a smooth development of these relations."

The commentary appeared to reflect Beijing's anger and sorrow not only that the communiqué, the result of 10 months of negotiations, had not resolved the same issue, but also that the visit earlier this month of Secretary of State George P. Shultz had not brought home to

the Reagan administration Chinese doubts about U.S. sincerity.

"Unless this problem is resolved," an Xinhua report said shortly after Mr. Shultz's departure, "mutual trust between China and the United States is out of the question and bilateral relations cannot possibly develop on a sound basis."

The latest commentary would seem to leave Chinese-American relations unimproved by the Mr. Shultz's visit and the United States again on the defensive in trying to maintain the relationship with China.

On his four-day trip to China, Mr. Shultz was told by Foreign Minister Wu Xueqian and other leaders that Taiwan remained a serious problem in Chinese-U.S. relations.

Beijing had reacted mildly to Washington's sale of 66 reconnaissance F-104 Starfighter aircraft, more than 20 years old, to Taiwan for \$31 million when it was disclosed two weeks ago, but a sharp attack is now considered quite possible.

Citing Mr. Reagan's linkage of reduced arms sales to Taiwan and progress toward peaceful reunification

of Taiwan, the Chinese said that is liable for the debts of the former imperial regime.

WORLD BRIEFS

White House Hopeful on Adelman

WASHINGTON (AP) — A White House spokesman said Friday that he believes Kenneth L. Adelman, President Ronald Reagan's nominee to head the Arms Control and Disarmament Agency, stands a good chance of being approved by the full Senate.

The spokesman, Larry M. Speakes, said: "I think it looks good on the floor," referring to the Senate. He said that Mr. Reagan very well could make telephone calls to key senators as a floor vote approaches. Mr. Adelman's nomination is headed for a threatened Senate filibuster after failing to gain majority support in the Foreign Relations Committee Thursday.

The panel sent the nomination to the floor after both supporters and opponents of Mr. Adelman agreed to formally recommend his rejection so the full Senate could act. Tom Griscom, press secretary to the Senate majority leader, Howard H. Baker Jr., Republican of Tennessee, said that Mr. Baker planned to hold off bringing the nomination up until mid-March. "It will give us more time to work on votes," Mr. Griscom said.

Court Bars Tabatabai Immunity

DUSSELDORF (Reuters) — A West German court overruled the Foreign Ministry on Friday and refused to grant diplomatic immunity to a former Iranian deputy prime minister, Sadegh Tabatabai, who is on trial on drug-smuggling charges.

Mr. Tabatabai, 39, who is related by marriage to the Iranian leader, Ayatollah Ruhollah Khomeini, was detained at Dusseldorf airport on Jan. 8 after customs officials found 3.5 kilograms (1.6 kilograms) of raw opium in his luggage valued at 40,000 Deutsche marks (\$17,000). The case has caused diplomatic embarrassment and political controversy in West Germany.

Three weeks after his arrest, Iran said that Mr. Tabatabai had been on a secret mission as a special ambassador, a claim belatedly endorsed by the Bonn Foreign Ministry, which at first had denied knowledge of his presence. The court said Friday that Iran had not specifically requested immunity for Mr. Tabatabai, only personal protection, which the Foreign Ministry had agreed to grant. Mr. Tabatabai's lawyer said he would appeal the ruling.

Spain Examines Rumasa Holdings

MADRID (Reuters) — State administrators moved into offices of the Rumasa business empire Friday as the government worked out what to do with its vast new acquisition.

The administrators ordered the group's 60,000 employees to carry on business as usual in every sector except Rumasa's 1,180 bank branches which remain closed until Monday.

The takeover of Spain's largest private holding company was decreed by the government on Wednesday to avert a major financial crisis. The government, which pledged to pay fair compensation, said the 240 expropriated companies were highly overvalued and officials said one of the first tasks would be to ascertain their real worth.



Prime Minister Amintore Fanfani of Italy at a press conference Friday with Prime Minister Margaret Thatcher.

Thatcher, Fanfani Back Arms Plan

LONDON (UPI) — Prime Ministers Margaret Thatcher of Britain and Amintore Fanfani of Italy reaffirmed their support Friday for President Ronald Reagan's "zero option" disarmament proposals.

"We both remain absolutely firm in our support for the 1979 NATO dual-track decision," Mrs. Thatcher said at a news conference after a day of talks. But she said both sides welcomed Mr. Reagan's reiteration in a speech Tuesday that the zero option is not a take-it-or-leave-it offer.

Under the zero option, NATO's deployment of cruise and Pershing-2 missiles in Europe would be canceled if the Soviet Union removed its medium-range nuclear weapons.

Mr. Reagan made it clear that his disarmament envoy, Paul H. Nitze, had instructions to explore "any solution consistent with the alliance's principles of balance," Mrs. Thatcher said. She said those principles were equally between the United States and the Soviet Union, the exclusion of British and French nuclear systems from the equation, and proper verification.

For the Record

JAKARTA (AP) — President Suharto on Friday named General Umar Wirahadikusuma, 60, head of the state audit body, to replace Adam Malik as vice president of Indonesia.

THE HAGUE (AP) — The Dutch government has expelled a Soviet diplomat, reportedly for spying. Alexander F. Konoval, a third secretary at the Soviet Embassy, left the Netherlands on Feb. 13 after being charged with espionage, according to an Amsterdam daily, De Telegraaf.

HAMBURG (Reuters) — A senior West German trade union official, Hermann Gassmann, who works for the engineering union IG Metall, was sentenced to two and a half years' imprisonment here Friday on charges that he worked as an East German agent. He was then freed pending appeal. Until the supreme court hears the appeal, the judgment will not have legal force, the Hamburg court spokesman said.

BRUSSELS (Reuters) — The European Parliament's influential agriculture committee said Friday that it favored an increase of 7 percent in prices paid to the European Community's eight million farmers this year. This contrasts sharply with the European Commission's recommendation for a 4.4-percent rise and is the same as that requested by the farm lobby.

LOS ANGELES (UPI) — Queen Elizabeth II and Prince Philip of Britain are to arrive in San Diego on Saturday to start their 10-day visit to the West Coast of the United States.

Barbie Expulsion Tied To Gains for Bolivia

(Continued from Page 1)

Bolivians took no action. Diplomats interested in the case were told, instead, that the government intended to wait until the Supreme Court ruled on an extradition request filed by West Germany in May 1982.

Then, only days before Barbie's arrest Jan. 25, the government's leading minority coalition party, headed by Vice President Jaime Paz Zamora, left the government after a bitter dispute with Mr. Siles Zavala.

Among other issues, Mr. Paz's party charged that Mr. Siles Zavala's interior minister had failed to act against rightist paramilitary groups and cocaine traffickers, elements to which Barbie had been publicly linked by Mr. Siles Zavala himself.

At the same time, the government's crisis forced the cancellation of trips by Mr. Siles Zavala to France and Mr. Paz to West Germany. Three days after Mr. Siles Zavala and Mr. Paz would have arrived in Europe, Barbie turned up

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EARTHQUAKE DEVASTATES SAN FRANCISCO.

From the Paris Press Tribune.

Photo: AP Wirephoto.

Photo: AP Wirephoto.</p

Reagan Names New Officials In Bid to Rescue EPA Image

New York Times Service
WASHINGTON — President Ronald Reagan hoping to improve the battered reputation of his administration's enforcement of environmental laws, has appointed three managers to replace the officials he had either dismissed or forced to resign from the Environmental Protection Agency.

White House officials also said Thursday that Fred F. Fielding, the White House counsel, is assembling memorandums and "issue alerts" sent from the EPA to various officials over the last year as he begins the examination of whether there has been political manipulation of the toxic waste program.

The deputy White House spokesman, Larry M. Speakes, said the three replacements at EPA and the appointment of two other officials had been undertaken to give the EPA a "fresh new start" and "to improve the management capacity" of the agency.

But he insisted that Mr. Reagan was "absolutely and totally behind" Anne McGill Burford, the head of the agency for the last two years, and that she had been fully

involved in the selection of her five new assistants.

The president named Lee M. Thomas as the acting replacement for Rita M. Lavelle, who headed the EPA's hazardous waste program until she was dismissed by Mr. Reagan on Feb. 7. Mr. Thomas, an official at the Federal Emergency Management Agency, led a federal task force formed to combat the dioxin problem at Times Beach, Missouri.

The White House also announced the replacements for Matthew N. Novick, the agency's former inspector general, and John J. Horton, its assistant administrator for administration. Both men were forced to submit their resignations Wednesday.

For the new inspector general, Mr. Reagan chose Charles Dempsey, who now holds the same position at the Department of Housing and Urban Development. To replace Mr. Horton, he selected Alfred M. Zuck, currently a management specialist in the EPA.

The two other appointments announced by the White House were Constance Kilday as acting assistant EPA administrator for research



Lee M. Thomas



Charles Dempsey



Alfred M. Zuck

and development and Lee L. Verstandig as acting assistant administrator for legislation.

In another development, a team of FBI agents began questioning EPA employees in response to Mr.

Reagan's announcement at a news conference last week that he had ordered the Justice Department

and the FBI to make an investigation "into every charge that is made" about the agency.

Mr. Speakes declined to answer questions about whether the decision of the president to appoint new officials to the EPA did not suggest that Mrs. Burford had been a poor administrator. "We're not going to rehash; we're going to move forward and that's what's important," he replied.

In regard to Mr. Fielding's inquiry into the possibility of political manipulation of the toxic waste program, White House officials who asked that they not be identified, said no evidence of any such manipulation had emerged thus far. However, officials disclosed that roughly from April to September last year the EPA sent periodic "issue alerts" directly to Edward J. Rollins, the White House director

of political liaison, referring basic environmental policy questions to the White House.

The practice was discontinued after it was deemed "inappropriate" for direct communications from the environmental agency to go to an office concerned solely with politics, a White House official said.

Some members of Congress have charged that the EPA withheld funds or timed the announcement of cleanup efforts to help Republican candidates in the election last year.

Several White House officials

said that no such coordination had been done through the White House. One official said that such coordination might well have been carried on between some officials at the environmental agency and the political candidates themselves.

A senior White House official said Mr. Fielding had been directed to determine the extent of such political involvement.

■ Data on Contacts Sought

White House staff members have been ordered to report any contacts they have had with the EPA to Mr. Fielding. Mr. Speakes said

Reagan Largely Backs Democrats' Job Bill But Suggests Changes

By Helen Dewar
Washington Post Service

WASHINGTON — President Ronald Reagan has indicated that he agrees with three-fourths of a proposal drafted by the Democrats for jobs and recession relief, but he has called on Congress to modify the rest of it.

"We have come a long way toward bipartisanship agreement," Mr. Reagan said Thursday. He described a proposal advanced by Democratic leaders of the House Appropriations Committee as "largely consistent" with a framework for anti-recession legislation worked out earlier by House leaders and White House aides.

Mr. Reagan referred to the package as a \$4.4-billion plan, but additions approved by Democratic leaders late Wednesday brought the total to \$4.6 billion, and further additions were expected to be proposed.

Mr. Reagan's remarks were interpreted on Capitol Hill as a call for continued cooperation and, at the same time, for restraint in adding to his initial offer of an extra \$4.3 billion for jobs and aid to those hurt by the recession.

In a written statement after a meeting between Thomas S. Foley of Washington, the House Democratic whip, and James A. Baker 3d, the White House chief of staff, Mr. Reagan said:

"Seventy-five percent of the House committee chairmen's package consists of funding for necessary federal construction, repair and renovation work and appropriate humanitarian aid. However, some elements of the package do not constitute acceleration of already budgeted items, and thus would unnecessarily increase the deficit."

He said these elements should be "targeted on higher-priority, job-related federal expenditures."

One administration source said Mr. Reagan objected to the Democrats' inclusion of about \$500 million for economic development, aid to small businesses and what he referred to as "tree-planting" money.

\$450 million in public works money that he felt could not be spent quickly enough; and \$242 million for social welfare programs that he believed would not create jobs.

But one Democratic source contended that as much as \$1.5 billion of Mr. Reagan's earlier proposal amounted to "funny money," including funds that Congress would have required to be spent anyway.

Despite Mr. Reagan's objections to some proposals in the Democratic bill, an administration source said the president would not necessarily object if the money were spent on other job-creating

projects, such as port development and highway and airport projects that the president recommended and the Democrats deleted.

In their version of the legislation, the Democrats considerably reshuffled Mr. Reagan's spending proposals, including transferring money from public works projects to social welfare programs. But the White House also objected to some public works spending that the Democrats added, including waterway projects and rural water and sewer grants.

House Speaker Thomas P. O'Neill Jr., a Massachusetts Democrat, said he expects the House to complete the job bill and send it to the Senate by Wednesday. A second package of longer-term aid will be prepared by mid-April.

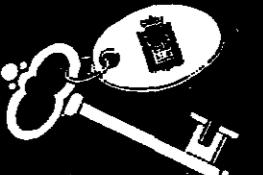
Meanwhile, a House Ways and Means subcommittee overrode Mr. Reagan's objections and approved up to 10 additional weeks of unemployment benefits in states hardest hit by the recession, bringing the maximum aid duration to 65 weeks in some states.

Kuwait Is Said to Plan Purchase of Mirages

The Associated Press

PARIS — Kuwait plans to buy 20 Mirage-F1 jets from Avions Marcel Dassault-Breguet Aviation, French aircraft industry sources said Friday. The Defense Ministry refused to confirm or deny the report.

On Tuesday, Kuwait announced the signature of a contract with the Dassault-Breguet, without giving details.



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New Disease in Monkeys May Aid Research on Rare Human Illness

By David R. Zimmerman
Washington Post Service

WASHINGTON — An epidemic of a disease with strong similarities to a deadly human immunological disorder called AIDS has occurred among research monkeys in California and Massachusetts, possibly providing a valuable research tool for investigating human AIDS.

The outbreaks affected some cages but not others, reinforcing researchers' beliefs that AIDS, an acronym for acquired immune deficiency syndrome, is a communicable disease caused by a virus or other micro-organism spread through close physical contact. This theory was reported in the Feb. 19 issue of *Lancet*, a British medical journal.

AIDS has been recognized only in the past few years. It has been identified among sexually active male homosexuals, intravenous drug users, travelers from Haiti, hemophiliac patients who receive frequent blood-product transfusions and children of persons in those categories.

The researchers said that no such category had been reported more than 1,000 AIDS cases, of which 394 were fatal.

According to the *Lancet* article, a similar syndrome killed 24 of 64 rhesus monkeys in 15 months at the California Regional Primate Research Center, which is affiliated with the University of California at Davis.

A veterinarian at the California center, Roy V. Hendrickson, said the disease closely resembled AIDS. The animals' body defense mechanisms failed, leaving them prey to infections they normally could throw off, including some of the same infections that kill human AIDS victims.

The monkeys had swollen glands, diarrhea, fever, anemia, weight loss and skin disorders, all of which are found in human AIDS victims. All died. But where most human victims have been male, all 24 monkey victims were female.

The researchers said the sick monkeys developed a cancer, previously unseen at their facility, "which invites comparison with Kaposi's Sarcoma," a rare skin cancer that is killing a high proportion of homosexual AIDS victims.

Both Dr. Hendrickson and Norval W. King, associate director of Harvard University's New England Regional Primate Research Center, say they believe that earlier epidemics at their facilities, which resulted in many dozens of monkey deaths, also may be attributable to AIDS.

Researchers see the sick monkeys as a valuable research tool — the first candidate for an animal model of human AIDS — that could provide insight into the immune mechanisms and possible roles of viral and toxic agents in AIDS.

The monkeys had swollen glands, diarrhea, fever, anemia, weight loss and skin disorders, all of which are found in human AIDS victims. All died. But where most human victims have been male, all 24 monkey victims were female.

Benoist-Méchin Dies; Was French Historian

International Herald Tribune

PARIS — Jacques Benoist-Méchin, 81, historian, expert on Germany and the Islamic world and an official of the Vichy regime during the Nazi occupation of France, died Thursday following a long illness.

Mr. Benoist-Méchin's "History of the German Army," written in the late 1930s, was so authoritative that Charles de Gaulle, leader of the Free French, ordered 150 copies for his staff.

Mr. Benoist-Méchin held several posts under the Vichy regime, including that of secretary of state to Pierre Laval, the head of government, who was executed after the war.

In 1945 Mr. Benoist-Méchin was arrested as a collaborator, tried and sentenced to death. The sentence was later commuted to life imprisonment, and he was released in 1954.

After his release, Mr. Benoist-Méchin wrote biographies of Kemal Ataturk and Abdul Aziz ibn Saud.

■ Other deaths:

Elsa Merlini, 89, an Italian actress best known for her role in the Italian production of Thornton Wilder's "Our Town," Tuesday in Rome.

Bernice D. Sloate, 69, the leading critic and scholar on the works of the author Willa Cather, Tuesday in Lincoln, Nebraska. She was also a poet and authority on the works of John Keats.

Romain Mares, 69, who won the Tour de France bicycle race in 1935 after wearing the leader's yellow jersey from start to finish, an accomplishment that has never been equaled, Tuesday at his home near Brussels.

Risieri Frondizi, 72, a former president of the University of Buenos Aires, Wednesday in Waco, Texas. He was the brother of Arturo Frondizi, president of Argentina from 1958 to 1962.

Herbert Howells, 90, an English composer best known for his church and organ music, Wednesday in London.



Jacques Benoist-Méchin

INTERNATIONAL POSITIONS

SIRIUS SYSTEMS TECHNOLOGY was founded end of 1980 by Chuck Peckle, the father of the personal computer. Manufacturing of the SIRIUS 1 and VICTOR 9000 computers started end of 1981. After the merger between SIRIUS and VICTOR end of 1982, the new company - VICTOR TECHNOLOGIES - is a dominant factor in the computer industry with a complete distribution network in US, Europe and the rest of the world.

Our current line of computers is on the forefront of technology and we intend to be the technical leaders.

We are now in the process of building up a headquarters organization in Paris, France, to support the distributors and subsidiaries in Europe, Africa and the Middle East. We expect to move to Paris from our present quarters in Brussels in March 1983.

We are looking for personnel to work in this exciting and fast growing company.

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The tasks will be to follow the development in the assigned areas, to assist customers and distributors, to evaluate Software and applications for approval/acquisition by VICTOR, to conduct training sessions, to assist our major accounts marketing effort.

The applicant should be willing to spend a major part of his time travelling in Europe and U.S.

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Shultz Calls on Public To Back Foreign Aid

By Bernard Gwertzman
New York Times Service

WASHINGTON — Secretary of State George P. Shultz has opened a public campaign to win support for the administration's multibillion-dollar foreign aid program, in the face of what he has been told is widespread opposition to helping other countries when there is economic trouble at home.

Speaking Thursday in Atlanta, Mr. Shultz said that "the cost is modest" for foreign aid and that it is vital "to secure peace and economic well-being in regions vital to our security."

To make his point about low cost, Mr. Shultz introduced statistics. Mr. Shultz said to show, among other things, that Americans spend more on television and radio sets in a given year than they do on military and economic assistance.

He said it costs each U.S. citizen \$12.35 per year "for building peace in the Middle East," \$3.84 for Caribbean aid, 92 cents "for curbing population growth" in other countries, \$3.15 for food aid and 77 cents for aid to Turkey.

"The total cost in tax dollars for all our security and economic assistance programs in the developing countries," he said, "is \$43.97 per person."

By contrast, Mr. Shultz said, we Americans spend \$104 per person a year for TV and radio sets, \$35 per person per year for barber shops and beauty parlors, 89¢ per person per year for soap and cleaning supplies and \$21 per person per year for bowlers and pool tables.

Mr. Shultz was speaking at the Southern Center for International Studies in Atlanta. His remarks were broadcast by closed circuit to the State Department.

He said that in making comparisons, he was not trying to belittle any of the average American's expenses, since "they're part of our commerce which provides us with jobs as producers and satisfaction as consumers."

Every American must understand that it's necessary to spend a fraction of our collective resources to secure our most precious goals of freedom, economic well-being and peace," he said. Quoting former Secretary of State Dean Rusk, the Georgian whom he met before the speech, Mr. Shultz said, "Freedom is not free."

The Reagan administration is asking Congress to approve a \$14.5-billion foreign aid package for the 1984 fiscal year, which begins Oct. 1, and a supplemental aid

All-Night Police Force

United Press International

VADUZ, Liechtenstein — The Liechtenstein police force is being strengthened from 37 to 45 men to permit a 24-hour service, the government announced Friday.

Herald Tribune

INTERNATIONAL

Divisive Food Wealth

The specter of world food shortages has receded, thanks to good weather and modern technology, but gains in farm productivity are not welcomed everywhere. Food surpluses bitterly divide the developed nations. Cool heads will be needed to prevent farm issues from further poisoning the Western alliance.

Common sense suggests that most of the world's food is grown where climate is favorable and fertile land is abundant. Surpluses would then be traded for manufactures and services produced where land is scarce. The breadbasket countries — the United States, Canada, Argentina, Australia, New Zealand — do export a lot of food. But less efficient farmers in other countries fight hard to preserve their incomes and ways of life.

Japan's tiny farm sector uses disproportionate influence over the country's ruling party to shut out rice, beef and citrus fruit. The effect on American farmers is slight; an end to Japan's import quotas would add just a few percent to America's \$40 billion in farm exports. The same cannot be said of Europe.

European farmers have transformed the Continent in the last decade from a minor net exporter of food into a powerful rival of the United States in world markets. America is no free-trade innocent in a world of protectionist shucks. U.S. quotas lock out foreign meat, dairy products and sugar. But Europe's surpluses pose the greater risk to trade.

The aggressive marketing of surplus European wheat and sugar has depressed world prices and infuriated America's farmers. The U.S. Congress has responded by authorizing \$700 million for farm export subsidies. President Reagan is also using existing authority openly to subsidize the sale of surplus American flour to Egypt. The European Community

might retaliate with competing subsidies. As likely, and more ominously, it might restrict imports of American food or manufactures.

How to prevent such a trade war? Many Europeans would like to set up a food export cartel. An informal agreement with New Zealand to limit dairy exports, they say, has worked to maintain high prices. A similar deal to store, rather than dump, surplus grain might indeed make sense in the short run. But in the long run a cartel would probably not be workable. And it certainly would not be desirable. The goal, after all, is efficient specialization, and that requires more trade, not less.

Somehow, Europe and Japan simply have to assert control over their farm lobbies. The prosperity of the developed nations cannot be mortgaged to the interests of a few million farmers. The United States has a right to press for diplomatic agreements.

It would not, however, serve either the American interest or that of the alliance to demand immediate, politically unrealistic remedies. Europe might be asked to hold sales of surplus grain in contested markets to current levels or less, but it cannot be expected to coax farmers off the land as long as there is 10-percent unemployment in the cities. Nor can Japan quickly toss out the economic and political rules that have governed since 1945.

The required patience comes hard. American politicians, too, must deal with farm blocs. But it is worth remembering what happened last year when Mr. Reagan tried to stop the Common Market from buying Soviet gas. All he earned for his trouble was ill will. There is nothing to be gained, and much to be lost, from demanding the impossible.

—THE NEW YORK TIMES

Reagan: A 'Homeland'

No single word has been hotter longer in the Middle East than "homeland," as applied to the efforts first of Jews and then of Palestinians to claim a place of their own. So historically and emotionally freighted is the word that it is difficult to imagine that President Reagan, given as he is to casual statement, could have misused it the other day. "We can't go on with [the Palestinian] people in not providing something in the nature of a homeland," he said, adding, "On the other hand, no one has ever advocated creating a nation."

It seems clear what Mr. Reagan has in mind. His strategy for the Arab-Israeli conflict centers on drawing King Hussein to the peace table to speak with Israel for Jordanians and Palestinians alike. The formulation "something in the nature of a homeland" is inadequate as it is to all-or-nothing nationalists; it is a ratcheting of the Reagan commitment and is obviously meant to give the king the extra edge of word and hope he needs to take that momentous step.

Yet for the United States to offer Palestinian statehood would, among other things, break repeated American vows to Israel and ensure an instant Israeli foreclosure of any talks. Hence Mr. Reagan's hasty balancing as assurance to Israel — "no one" — meaning, presumably, no one in his administration — "has ever advocated creating a nation."

Whether Mr. Reagan's readiness to meet Palestinian nationalism halfway will help lure the wary king may be known in the next few weeks. It is not the president's only contribution to that end. He is stepping up his calculated expressions of impatience with Israel's pace and style in its negotiations with Lebanon, and endorsing the Lebanese aim of ending the occupation rather than the Israeli aim of creat-

ing a new political tie. As an inducement and ally-shredder for Israel, moreover, he pledges to "guarantee" Israel's northern border if the Israelis will quickly remove their troops, by putting Americans into a multinational force on the border until Lebanon can take over the job. His idea is not simply to relieve Lebanon but to give King Hussein a further demonstration of American seriousness.

Prospects in Lebanon are not altogether bleak. Lebanon is prepared to go a long way to accommodate Israeli security requirements. Ariel Sharon, with his special personal investment in the Lebanon war, is gone from the Defense Ministry. The Americans are pushing a staged withdrawal remains conceivable.

The prospects on the Palestinian side are another matter. It is perhaps a plus that the PLO, rendered militarily impotent by the Israelis, has made itself impotent politically. That gives King Hussein and his natural Palestinian partners, the more pragmatic West Bankers, a wider opening. The closer he comes to talks, however, the tougher Israel's resistance may be. The Begin government insists it will negotiate only in the old Camp David framework, not in the revised Reagan framework of last Sept. 1. Mr. Reagan had thought to revive Israel's Labor opposition by his peace plan, but Labor may be slipping both in its dedication to territorial compromise and in the possibility of its return to power. Arab moderates are torn between urging Washington to put the squeeze on Israel and fearing that it will try and fail.

We think Mr. Reagan is right to move toward making good on his Sept. 1 plan. Presumably, he is under no illusions as to the difficulties that lie ahead.

—THE WASHINGTON POST

Other Opinion

Israel: More of the Same

The public pressure that led to the Kahan inquiry constitutes a textbook example of democracy in action. A free press fearlessly exposed a great scandal close to the government. An aroused public opinion demanded a full and fair inquiry, which the government reluctantly conceded. The inquiry's report named names and severely censured high officials. It called for the resignation or removal from office of a powerful and popular minister. The minister was in fact removed from his key post, though not from the cabinet.

Democracy doesn't often produce such a clear-cut response to abuses. It is rather more likely to fudge and to whitewash. So one might think that Israel's democracy deserves commendation, for the health of its response, from supporters of the democratic system everywhere. (Just as the American democracy earned commendation over Watergate.) The fact is that those who detest Mr. Begin most are drawn to disparage Israeli democracy.

This is understandable, if, as I think, democratic process and looks like being able to hold

—Philip Geyelin in *The Washington Post*.

FROM OUR FEB. 26 PAGES, 75 AND 50 YEARS AGO

1908: Exhaust Remedy Claimed

MIAMI — One of the early objections to automobiles was that the odor which followed their passage through the street was not exactly pleasant. Many improvements have been made, but the question of smoke and smell abatement has remained a pre-eminent one. M. Max de Nansouty, in the "Temps," describes a new abatement apparatus which M. Guasco, an engineer, has invented. It is attached to the exhaust pipe at the rear of the automobile. The gases from the exhaust consequently are driven from the exhaust, colorless and odorous. If the invention accomplishes what is claimed for it, it will be welcomed by all automobileists, who are continually in peril of summonses for smoking exhausts.

—Philip Geyelin in *The Washington Post*.

1933: Cermak's Outlook Critical

MIAMI — Chicago's Mayor Anton Cermak, who was sinking rapidly after a sudden turn for the worse, early [last] night was reported slightly improved. The latest bulletin, however, expressed fear and said his state was still critical. Dr. Nichol, one of the attending physicians, said, "I am frankly pessimistic about his chances for recovery," but Dr. Irka, son-in-law of the sick man, expressed belief that the chance of recovery was good. The sudden turn for the worse in the mayor's condition came as a surprise to doctors and friends yesterday. He had been reported as steadily improving since he received a bullet in the abdomen on Feb. 15 in the attempt on the life of Franklin D. Roosevelt in Bay Front Park here.

—John Hay Whitney (1904-1982), Chairman

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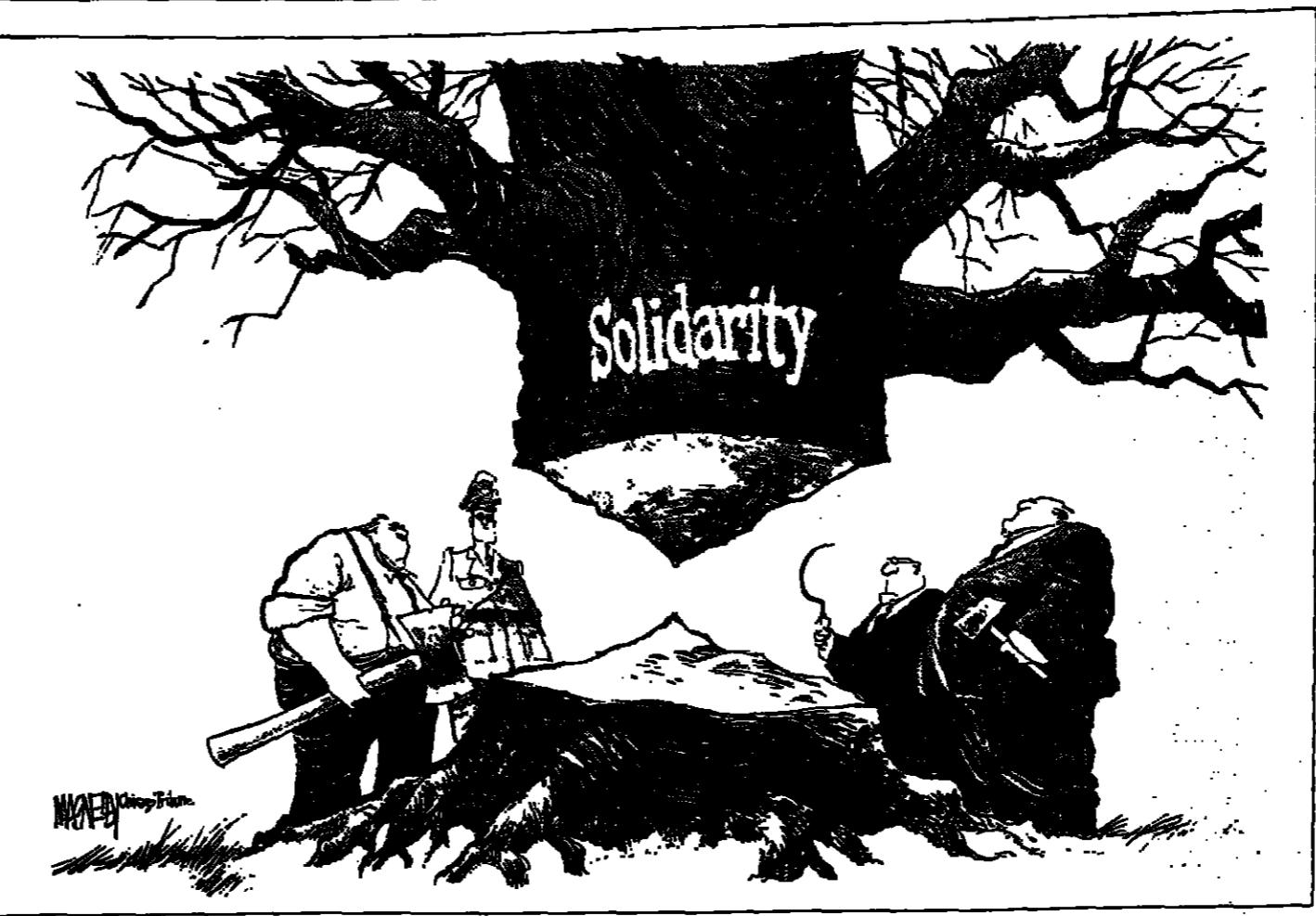
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Debt Crisis: Time to Brake Loan-Happy Banks

By Hobart Rowen

WASHINGTON — The Reagan administration came late to an understanding of how important it would be to beef up the role and resources of the International Monetary Fund to meet the global debt crisis. But better late than never.

The administration, under the leadership of Secretary of State George Shultz and Treasury Secretary Donald Regan, is doing a pretty good job. Nevertheless, it has not yet summoned up the courage to put the brakes on some of the freewheeling international bankers who have helped mess up the world's economy.

Less than a year ago, at meetings in Paris and Helsinki, Treasury officials were saying that perhaps the IMF didn't need any expansion at all in its members' deposits.

But, frightened by the threat of a Mexican default that would have hit North American banks particularly hard, not to mention problems in Argentina, elsewhere in Latin America and in Eastern Europe, the Treasury last summer switched signals.

Coincidentally, on July 15, Mr. Shultz was confirmed as secretary of state. He is the first economist to hold that position, and the first secretary who appreciates that, in the tendentious contemporary world, at least half of foreign policy is foreign

to what many congressmen fail to understand, as they resist the notion of \$8.4 billion for the IMF.

It supported an increase from \$7

billion to \$19 billion in the emergency package provided by the United States and 11 other rich nations, and a 47.5-percent increase in quotas voted by the IMF on Feb. 11. That was a start, but not a full solution.

After initial denial it has now

been confirmed by Undersecretary of Commerce Lionel Olmer that the Reagan administration has begun a study of dramatic ways to defuse what Mr. Shultz aptly called the international "debt bomb." This would involve consolidation of some of the \$700 billion in Third World debt, acknowledging by implication that some of it will never be paid off by regular methods.

Among the possibilities being

kicked around, although Walter Wriston and some other big New

York bankers have told the adminis-

tration it is a bad idea: Richer

governments might take over some

loans that poor countries can't pay

off. Such refinancing would, of

course, mean that some international

banks, such as Citibank, might have

to accept large losses.

What many congressmen fail to

understand, as they resist the notion of

\$8.4 billion for the IMF, is how

important it is to get Congress to approve

the administration's request for autho-

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ARTS / LEISURE

Explorations on the Fringe

By Sourcen Melikian

International Herald Tribune

PARIS — Many dealers dream of exploring the fringe areas of art where discoveries are still to be made. Few have the guts to do it. Buying atypical items means taking a huge chance. In order to be easily available, works of art require easy identification or, failing that, some familiar element in their

THE ART MARKET

appearance that lends itself to visual comparison.

One gallery at least, the Galerie Yves Plantin, is currently disregarding this rule with its exhibition of Rupert Carabin's drawings. It is hard to think of anything less familiar than the work of Carabin, or, indeed, any creator more difficult to categorize than this self-taught Alsatian refugee in Paris who was a sculptor, a draftsman, a pottery designer, a cabinetmaker, and one or two more things.

In the gallery's modest window at 33 Rue de Seine, a single exhibit

aptly summarizes the weirdness of his vision. The stoneware object is called "Fontaine" but it can hardly have had much practical use. Shaped like a water skin of sorts, it serves as a pedestal to a woman lying on top of it. Her naked body seems to be tense, in an effort not to slip off her uncomfortable couch, as she looks down at some invisible trickle of wine or water. The subdued glaze combines deep purplish red enamels running over a mottled brownish layer. The piece was made in the 1890s and is unlike any other stone ware of the period or of later times. Only the color of the glaze is typical of what the "Fontaine" qualifies as a sculpture or as a potter's effort.

Despite the medium employed, on second thought, sculpture is the better word. The almost obsessive attention paid to muscular details betrays the hours that Carabin spent in his youth watching anatomical dissection in a medical laboratory and even more so the living he made some time later from tak-

ing plaster molds of faces or hands of deceased loved ones at the request of their families.

But this is nothing compared with the extravagance of the piece of furniture that towers above the entire exhibition, a bookcase of carved wood and wrought iron carrying the date 1890 deeply incised below the cornice. When asked about it, Yves Plantin notes with unintended humor that it is not part of the exhibition. The three-meter-high structure is its inevitable focal point as well as the ultimate key to the drawings.

Naturalistically carved ivy in high relief climbs up to the cornice. The flat top carries three feminine figures carved in the round. The legs of the figure on the far right dangle over the corner as she looks at her two companions seated on books at the opposite end. Part of the lower section of the bookcase is hidden by a panel with bas relief carving that serves as a hinging door. The rest of it has hinged glass doors behind which appear shelves partly concealed by forged iron palm trees rising from the bottom. It is a fantastic sight, almost as weird today as it must have seemed in 1890. Carabin created it for his first patron, a rich engineer. He spent the better part of a year on the job. It finally cost his benefactor 10,000 francs at the time.

The bookcase determined the course of his artistic activity for the next few years. It had involved a large number of drawings. From that time Carabin continuously trained himself to draw from life as quickly as he could. Part of the result is to be seen in the exhibition: silhouettes of women in the nude quickly dashed off in black crayon on a sheet of paper that are miles apart from the labored academic sketches he did in his earlier days. Yves Plantin says that some viewers see a similarity with Egon Schiele's drawings — with his harsh unforgiving perception of woman. These studies served for multiple purposes — furniture, bronze making, pottery, even some gold and silver wares.

Carabin worked a lot but produced little. All told, he made less than 30 pieces of furniture. Furniture is hardly the right word since the volumes and shapes are mere excuses for sculpture. Although the epithet has not been used in connection with his work, he created the only furniture that can be truly called symbolist. When commissioned to do a cabinet for *objets d'art* he carved a stand in the form of a naked woman kneeling and tying herself to the trunk of a tree, a casket being supported by the trunk. The woman is a symbol of temptation while the base is refied carved on the door illustrates the idea of "art rejecting wealth."

Carabin's furniture can plausibly be argued to be the true beginning of Surrealist art some 30 years before Dada. One of his most remarkable pieces is a writing table which he carved out of solid walnut in 1896. The heavy rectangular top is designed like a heavy leather-bound in folio volume. This rests on a trestle-like stand of asymmetrical shape, two female figures apparently clinging to the geometrical legs although they are actually part of the supporting structure.

If proof is needed that true novelty does not pay, it is provided by the fate met by this table together with four other pieces — including a second writing table of similar inspiration (a book carved by four standing women and the book-case dates 1890.)

All five pieces were sent for auction in 1969 by the heirs of Carabin's patron, and were sold at Drouot in 1969 as single lot just under 150,000 francs.

At no point was there the slightest display of interest in museum circles — there was no talk of the 19th-century art museum then. The five pieces could have been "pre-empted" by the Réunion des Musées Nationaux (national muse-

ums agency) but weren't. Since then things have changed. Yves Plantin was approached several times by museum representatives with a view to buying the bookcase sold at Drouot, which he now owns — but he isn't selling it. "That is something you get only once in a lifetime," he observes. It is the earliest, and one of the few dated specimens of Carabin's furniture. It is also one of his most astonishing works.

The very same indifference that was displayed towards the furniture in 1969, and after, now affects the drawings. Since the exhibition at 33 Rue de Seine opened three weeks ago, only two of Carabin's drawings have been sold. The price bracket — 2,000 to 4,500 francs — is normally one in which there is a constant demand from French buyers. While the sketches come nowhere near the furniture in boldness and creativity, they are still the basis without which there would be no furniture. Not many buyers seem to have taken notice.



Study by Rupert Carabin in 1905 for a bookcase figure.

ums agency) but weren't. Since then things have changed. Yves Plantin was approached several times by museum representatives with a view to buying the bookcase sold at Drouot, which he now owns — but he isn't selling it. "That is something you get only once in a lifetime," he observes. It is the earliest, and one of the few dated specimens of Carabin's furniture. It is also one of his most astonishing works.

The bookcase determined the course of his artistic activity for the next few years. It had involved a large number of drawings. From that time Carabin continuously trained himself to draw from life as quickly as he could. Part of the result is to be seen in the exhibition: silhouettes of women in the nude quickly dashed off in black crayon on a sheet of paper that are miles apart from the labored academic sketches he did in his earlier days. Yves Plantin says that some viewers see a similarity with Egon Schiele's drawings — with his harsh unforgiving perception of woman. These studies served for multiple purposes — furniture, bronze making, pottery, even some gold and silver wares.

Carabin worked a lot but produced little. All told, he made less than 30 pieces of furniture. Furniture is hardly the right word since the volumes and shapes are mere excuses for sculpture. Although the epithet has not been used in connection with his work, he created the only furniture that can be truly called symbolist. When commissioned to do a cabinet for *objets d'art* he carved a stand in the form of a naked woman kneeling and tying herself to the trunk of a tree, a casket being supported by the trunk. The woman is a symbol of temptation while the base is refied carved on the door illustrates the idea of "art rejecting wealth."

Carabin's furniture can plausibly be argued to be the true beginning of Surrealist art some 30 years before Dada. One of his most remarkable pieces is a writing table which he carved out of solid walnut in 1896. The heavy rectangular top is designed like a heavy leather-bound in folio volume. This rests on a trestle-like stand of asymmetrical shape, two female figures apparently clinging to the geometrical legs although they are actually part of the supporting structure.

If proof is needed that true novelty does not pay, it is provided by the fate met by this table together with four other pieces — including a second writing table of similar inspiration (a book carved by four standing women and the book-case dates 1890.)

All five pieces were sent for auction in 1969 by the heirs of Carabin's patron, and were sold at Drouot in 1969 as single lot just under 150,000 francs.

At no point was there the slightest display of interest in museum circles — there was no talk of the 19th-century art museum then. The five pieces could have been "pre-empted" by the Réunion des Musées Nationaux (national muse-

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Britain Battles Against Book Pirates

By Susan Simpson

International Herald Tribune

LONDON — It took 2,400 academics and a small army of editors a dozen years to compile the 20-volume New Grove Dictionary of Music and Musicians, but even before the first fanfare could be sounded late in 1980 to announce publication, a book pirate in Seoul had illegally reproduced the first 14 volumes and put them on the South Korean market at bargain-basement prices.

Before long, according to Macmillan, the London-based publisher that spent \$7 million to produce the dictionary, two pirated versions were being hawked in Taiwan. By then, the dictionary's market in South Korea had been

"It's a very expensive book," says Nicholas Byam Shaw, group managing director at Macmillan. "You'd think twice before parting with \$1,900 to buy it. That means it's the one we fuss about most if it gets pirated."

If the Grove's incident shows book bucking on a grand scale, British publishers can point to hundreds of less-dramatic examples of a piracy in English books that flourishes mainly in Southeast Asia. The racket encompasses every type of book from classics to thrillers, but the chief targets are textbooks and technical, scientific and business manuals.

"We believe British publishers are losing somewhere in the region of £100 million (\$152 million) a year to pirates," says Malcolm Rowland, deputy director of the British Publishers Association's International Division.

Rowland is a member of the association's Committee for the Suppression of Piracy, a group of 12 members of the British publishing community that has orchestrated the crusade against piracy for almost two years. Nicholas Thompson, chairman of the committee and publishing director of Fruham, a major educational publishing house, describes its activities as a fight to protect the future health of British publishing. "We could all live with the present level of book piracy," he says. "I mean it's costing us money, but we can live with it. The point is, it could easily and quickly get a lot worse

The very same indifference that was displayed towards the furniture in 1969, and after, now affects the drawings. Since the exhibition at 33 Rue de Seine opened three weeks ago, only two of Carabin's drawings have been sold. The price bracket — 2,000 to 4,500 francs — is normally one in which there is a constant demand from French buyers. While the sketches come nowhere near the furniture in boldness and creativity, they are still the basis without which there would be no furniture. Not many buyers seem to have taken notice.

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Recently the committee has intensified its efforts as evidence has shown that the racket is indeed spreading — with Taiwanese pirates shipping books to Nigeria. This development, coupled with evidence that an independent pirate operation has grown up in Nigeria, has helped to dramatize the growing dimensions of an illegal trade. British publishers say that throughout the last decade the number of illegal reprints has escalated alarmingly.

"It's largely the result of technical develop-

ments in printing," Thompson says. "For a relatively small investment, anybody can now buy offset printing equipment which enables one to produce a passable copy of any ordinary book. Before offset was the normal method of printing books, one had to reset the whole thing and that, of course, was a major performance."

Some of the reproductions are so faithful to the genuine article that only the original publisher or printer can identify them. Byam Shaw points out rather ruefully, "The only reason the Grove copies are inferior to ours is because they chose to use inferior paper."

Book piracy apparently operates along distinctively different lines in each country where it exists. Rowland describes a bewildering array of practices: "In Pakistan, it is by and large very small firms of printers, publishers and booksellers behind it. That actually causes great problems because in Pakistan it's perfectly possible to have six, seven or eight pirated editions of the same original book. We've got the situation there where pirates are pirating pirates."

"In other places, like Singapore, it is just one firm and one individual, we believe. In India, it is a number of firms engaged in the piracy of paperbacks. In Taiwan, we believe — although our investigations are still continuing — it is a very small group of highly organized people."

Investigations are time-consuming and dogged by difficulties. Rowland recounts what he calls a classic example. "When I was in Pakistan a couple of years ago, the branch of the Oxford University Press in Karachi organized a big raid on some of the local bazaar pirates. The police sealed off the entire area. They raided bookshops and printing works, they seized large quantities of pirated books and they arrested two people. Within 24 hours, practically all their evidence had disappeared from police custody. But even if that doesn't happen and the case actually goes to law in whatever country we're talking about, it can drag on for years."

The legal situation varies by country. In Rowland's view, "In most countries where piracy occurs, it is either Nigeria, Pakistan or India, there is perfectly adequate copyright legislation — but by and large, the law doesn't work in many of these countries, or if it does, it works extremely slowly."

British publishers cannot afford the luxury of looking the other way. Export sales are crucial to the industry. But British publishers cannot afford to be unrealistic about their chances of success in the battle against piracy. Thompson has strong views about that.

"We'll never end it," he says forcefully. "Don't get the idea that we think we can. We have to restrict it, contain it, limit it to a bearable level . . . but it will never be eliminated. That's impossible."

British publishers believe that eventually Americans will be drawn to join the crusade. Pirating of American books has already reached serious proportions in Latin America and several companies are known to be concerned about the scale of activities in Southeast Asia.

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BUSINESS/FINANCE

ECONOMIC SCENE

By LEONARD SILK

Schmidt on Recession: Calling For the U.S. to Take the Lead

NEW YORK — Helmut Schmidt, the former chancellor of West Germany, is calling for concerted Western action to head off a world depression, and urging the United States to provide the leadership.

An article being published simultaneously by The Economist of London, *Die Zeit* of Hamburg, *Le Monde* in Paris, Nihon Keizai Shinbun in Tokyo and *Panorama* in Milan, Mr. Schmidt declares: "Economic strength, as well as political and military power, predestines the United States to take the lead. That is how Tokyo sees it, and that is how the Europeans see it, though often reluctantly."

Although the statement is being offered for worldwide consumption, it will inevitably be seen in the context of the West German election coming on March 6. From that vantage point, Mr. Schmidt's article appears to be a rebuff of the charge by leaders of the Christian Democrats and Free Democratic parties, who form the present coalition government, that if the Social Democrats regain power they will move West Germany strongly to the left, endangering the alliance with the United States.

Foreign Minister Hans-Dietrich Genscher, chairman of the small Free Democratic Party — which brought Mr. Schmidt's Government down by switching its partnership to Helmut Kohl's Christian Democrats — has asserted that an alliance between the Social Democrats, now led by Hans-Joachim Vogel, and the anti-capitalist Green Party would set West Germany on a neutralist course and take it out of the Atlantic alliance. Mr. Schmidt is reaffirming his party's commitment to the United States and the alliance while bidding for the support of left-leaning Germans concerned about the nuclear, environmental, unemployment and East-West issues.

When Mr. Genscher moved the Free Democrats from the coalition with the Social Democrats to one with the Christian Democrats, he lost most of his left wing. The Social Democrats, if they are to regain power, need the support of those defectors as well as that of many left-wingers sympathetic to the Greens. But the difficult job tackled by Mr. Schmidt, who the polls say is still the most popular politician in West Germany, and Mr. Vogel, the Social Democratic candidate for chancellor, is to capture the left without breaking the U.S. connection.

Locomotive Power

Hence the stress on the economic issue: Mr. Schmidt is telling the West German left that the economic crisis — with 32 million people out of work in Western industrial countries — lies at the heart of the world's military danger and can be solved only if the Americans provide a strong economic lead.

Without using the term "locomotive" — a concept he disdained when the Carter administration urged West Germany to help pull the industrial world out of its slump — Mr. Schmidt is, in effect, calling for a U.S. locomotive, with the support of the low-inflation countries, including his own and Japan, to help pull the world economy out of depression. Otto Lembke, the West German economics minister, recently expressed his opposition to stronger fiscal and monetary stimulus lest it breed a revival of inflation.

Mr. Schmidt quotes his friend George P. Shultz, the U.S. secretary of state, as believing that such problems as debt refinancing, trade deficits and commodity prices cause more woe than communist subversion and other traditional State Department concerns.

"Mr. Shultz is right," Mr. Schmidt says. But he suggests that he, Mr. Shultz, former President Valéry Giscard d'Estaing of France and others were wrong, back in 1973, to put so much faith in unregulated floating exchange rates. "If any of us entertained longer-term hopes with these decisions," he says, "these hopes have definitely been disappointed."

Loose Talk, Hasty Action

If the Western world is to accept U.S. leadership, Mr. Schmidt cautions, it must have "confidence in the judgment of the American president," but this trust "cannot be dissipated by loose talk and hasty action."

He warns the Reagan administration, against giving Europeans the "mistaken impression that, economically or militarily, it wants to put the squeeze on the Soviet Union and the other communist states." The Europeans, he asserts, know this is not possible. "They know the capacity of the Russian people to suffer, and they know the uncommon readiness of communist governments to call on their peoples' capacity to suffer." What the Europeans want, Mr. Schmidt says, is balance, economic health and social peace, whether the political leaders are conservative, liberal or social democratic.

On specifics of how to cure the world economic crisis, Mr. Schmidt says nothing new. While he wants more stimulus for growth, he warns that this should not be so strong as to regenerate inflation. He wants a more stable world monetary system. He wants lower real interest rates but does not say how to get them. He wants less protectionism and more aid for the poor countries. He favors "concerted action" and a better "coordinated policy mix" among the industrial countries.

But his most important contribution is to say that, whoever wins the West German election, the Western alliance will stay intact. That is an important declaration by the prickly but influential Mr. Schmidt.

The New York Times

CURRENCY RATES

Interbank exchange rates for Feb. 25, excluding bank service charges.

	S	D	D.M.	F.F.	£L.	DM.	U.S.	DK.
Amsterdam	2,695	4,072	101.07	38.95	9.179	5,611	131.25*	31.05
Brisbane (S)	4745	7,623	197.95	4,922	3,472	72,077	23.65	5,535
Buenos Aires	2,469	4,068	—	—	1,721	—	5,674	101.05*
Copenhagen (D)	1,055	1,686	—	—	1,071	—	1,055	1,055
Milan	1,055	1,686	—	—	2,024	4,000	171.75	120.45
New York	1,156	1,876	—	—	1,146	22.24	25.38	68.15
Paris	4,845	7,845	201.55	—	4,006	2,945	74.54	162.75
Zurich	2,025	3,181	84.175	20.65	1,045	2,027	1,024	30.82
TECU	0.945	0.928	12.860	4,050	—	1,023	—	—
1 SDR	1.0167	1.6782	2,021	542.97	1,942	57.95	2,028	5.82
Dollar Values								
Euro	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
AUS\$	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015
Australian dollar	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015
Belgian franc	0.0291	0.0291	0.0291	0.0291	0.0291	0.0291	0.0291	0.0291
Canadian dollar	0.814	0.814	0.814	0.814	0.814	0.814	0.814	0.814
Chinese (PRC) yuan	0.1202	0.1202	0.1202	0.1202	0.1202	0.1202	0.1202	0.1202
Danish krone	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722
Dutch guilder	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722
Egyptian pound	0.1512	0.1512	0.1512	0.1512	0.1512	0.1512	0.1512	0.1512
French franc	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Greek drachma	0.1225	0.1225	0.1225	0.1225	0.1225	0.1225	0.1225	0.1225
Italian lira	0.0607	0.0607	0.0607	0.0607	0.0607	0.0607	0.0607	0.0607
Iraqi dinar	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722
Japanese yen	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295
Malaysian ringgit	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722	0.0722
Swiss franc	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725	1.3725
Turkish lira	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295	0.7295
U.S. dollar	1.0167	1.6782	2,021	542.97	1,942	57.95	2,028	5.82
Units of 100 (x) Units of 1,000	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)

INTEREST RATES

Eurocurrency Deposits Feb. 25

	Bank	Dep.	Term	Bank	Dep.	Term	Bank	Dep.	Term
United States	Chase	1.00	3%	Deutsche	1.00	3%	Bankers Trust	1.00	3%
Discount Rate	1.00	3%	5% - 5%	1.00	3%	11%	10%	11%	11%
One Month	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
Broker Loan	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
Commercial Paper, 30-120 days	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
Swedish Treasury Bills	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
4-month Treasury Bills	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
CD's 30-90 days	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
CD's 90-180 days	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%

Key Money Rates

	Bank	Dep.	Prev.	Bank	Dep.	Prev.	Bank	Dep.	Prev.
United States	Chase	1.00	3%	Deutsche	1.00	3%	Bankers Trust	1.00	3%
Discount Rate	1.00	3%	5% - 5%	1.00	3%	11%	10%	11%	11%
One Month Interbank	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
3-month Interbank	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
5-month Interbank	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%

	Bank	Dep.	Prev.	Bank	Dep.	Prev.	Bank	Dep.	Prev.
Japan	Chase	1.00	3%	Deutsche	1.00	3%	Bankers Trust	1.00	3%
Discount Rate	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
Call Money	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%
Money Interbank	1.00	3%	5% - 5%	1.00	3%	11%	11%	11%	11%

Sources: Commercial Bank of Tokyo; Lloyds Bank, Deutsche and Commerzbank.



Dow Jones Averages

	Open	High	Low	Chg.
30 Ind.	1120.80	1125.20	1115.13	-0.67
20 Yrs.	472.77	490.01	482.09	472.20
15 U.S.	124.46	125.30	123.11	+1.52
15 Int'l.	44.68	45.30	43.11	+0.52

Standard & Poors Index

	High	Low	Chg.
Composite	152.81	146.57	+0.14
Industrials	70.79	69.12	-1.25
Utilities	19.87	17.43	+0.25
Finance	17.94	17.44	+0.09
Trans.	26.29	25.87	-0.07

Odd-Lot Trading in N.Y.

Dow Jones Bond Averages

Bonds

Utilities

Industries

New Issues

Total

New Lots

Odd-Lot

Traded

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Feb. 6

Feb. 5

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Feb. 1

BUSINESS BRIEFS**West German Current Account Balanced, Trade Surplus Down**

WIESBADEN (Reuters) — West Germany's current account was in balance yesterday and had a trade surplus of 2.7 billion Deutsche marks (\$1.12 billion), down from 4.6 billion DM in December, according to preliminary figures released Friday by the Federal Statistics Office.

In December, there was a current account surplus of 5.9 billion DM, revised from a provisional 5.3 billion, the office said. In January 1982 the current account shortfall was 2.9 billion DM, and the trade surplus 1.5 billion.

Exports last month totaled 32.35 billion DM and imports 29.65 billion, the statistics office said. In December 1982 exports were 38 billion DM and imports 31.62 billion.

For all of 1982 the current account showed a surplus of 7.5 billion DM while the trade account soared to record 51.2-billion-DM surplus, nearly double the 1981 figure.

No New Grundig Deal, Aide Says

BERLIN (Reuters) — West Germany's cartel office is not considering any new plan for Thomson-Brandt's takeover of Grundig, the office's president, Hartwig Wangemann, said Friday after the *Stuttgarter Zeitung* reported that the office would approve the deal if Philips agreed to give up its 24.5-percent share in Grundig.

Mr. Wangemann said the cartel office had yet to decide on the original application for Thomson-Brandt to take a 75.5-percent stake in Grundig. He said the application contained no reference to Philips' returning in share.

A Philips spokesman said earlier this month that the company had no plan to change its stake in Grundig. The cartel office will rule on the takeover bid after the March 6 elections.

Romania Reaches Debt Agreement

BUCHAREST (Reuters) — Romania has reached agreement with Western banks on rescheduling 3600 million of debt due this year, and sees no need to reschedule 1984 debt, the director of the Finance Ministry, Stefan Marin, said Friday. "A rescheduling in 1984 would not be justified," he said.

Western bankers and diplomats in Bucharest agreed, although more cautiously. "It is not a foregone conclusion they will need rescheduling in 1984, as it was in mid-1982 that they would have to reschedule in 1983," one banker said.

Disney Shuffles Top Management

LAKE BUENA VISTA, Florida (AP) — Directors of Walt Disney Productions have elected Ronald W. Miller as chief executive officer and Raymond L. Watson as chairman of the board.

Mr. Miller, now Disney president, succeeds E. Cardon Walker, a 45-year veteran of the company, who is also relinquishing his post as board chairman, effective May 1.

Soviet Loan Request Reported

TOKYO (Reuters) — The Soviet foreign trade bank has asked Japanese city banks for loans totaling almost 30 billion yen (\$21.7 million) for Soviet development projects and ship imports, the financial daily *Nihon Keizai* reported Friday from Moscow.

The request was made in talks between the Soviet bank and members of a Japanese economic mission currently in Moscow, the newspaper said, quoting sources close to the Japanese mission.

France Seeks Motobécane Rescue

PARIS (Reuters) — The government is contacting French and foreign companies in an effort to save Motobécane, France's second largest manufacturer of mopeds and cycles, after the firm and its engine-making subsidiary, Sofromo, filed for bankruptcy Tuesday.

A joint statement from the Ministries of Finance and Industry said the two companies would not necessarily stop operating. A government spokesman declined to identify the firms that had been contacted regarding a rescue plan for Motobécane.

AEG-Telefunken Plan Approved

FRANKFURT (Reuters) — AEG-Telefunken has received preliminary approval of its plan for a court-supervised debt settlement, which the receiver and AEG board now assume will be accepted at a meeting of creditors March 9, the company said Friday.

Company Notes

Anderson Stradley says that Charter Consolidated's 200-cent-a-share bid for Anderson is "unwelcome and inadequate."

TDK Electronics shareholders decided at the annual meeting in Tokyo to change the company name to TDK Corp., effective March 1.

Credit Suisse's net profit last year rose 9.9 percent, to 303 million Swiss francs (\$151.5 million), from 276 million francs in 1981, the bank's general manager, Robert Jeker, said at a news conference.

Indonesia Sees Flight of Capital

By Rory Channing
Reuters

HONG KONG — Wealthy Chinese-Indonesians are sending a great deal of capital out of Indonesia as the government tries to overcome a bulging balance-of-payments deficit, banking sources said Friday.

If the flight continues, the impact on Indonesia's economy could be severe because it coincides with the crumbling of world prices for oil and gas, on which the country relies for 70 percent of its foreign revenue.

The total amount of money involved is difficult to assess, but we're talking about \$10 million per individual transfer of funds, and we've seen quite a few transfers," said one banker. "This is not necessarily seeking safer havens," he added.

The bankers, who declined to be identified because of the sensitive nature of the transactions, said similar flights of capital from Indonesia had occurred a number of times in recent years.

Faced with sporadic eruptions of anti-Chinese sentiment, Indonesian Chinese minority traditionally has sought refuge for its money either in Hong Kong or through the British Colony or the United States and Europe.

Bankers said a combination of political and economic factors may have prompted the latest movement of funds.

Indonesia's severe recession has led to a harsh tightening of credit. This has choked consumer spending and left businesses reluctant to tie up their money in new inventory, with a surplus of cash for investment elsewhere.

The bankers also cited persistent rumors in Indonesia that the government will devalue the rupiah and introduce stringent foreign-exchange restrictions to bolster the economy. According to recent projections, Indonesia will have its first trade deficit for 16 years in 1983.

The latest outflow could represent efforts to get money out of the country before such measures are introduced.

Bankers said the Chinese, who play a prominent role in Indonesian commerce, may also be worried about bearing the brunt of any

Oil-Price Drop to Have Biggest European Impact in Italy

By Henry Tanner
International Herald Tribune

ROME — The plan by the Gulf states to cut oil prices, which they disclosed Wednesday, will have a greater impact on Italy than on any other European country.

The Italian economy depends on imported oil for about two thirds of its energy needs. Of the major industrial countries, only Japan has greater dependence on foreign oil.

Italian oil-industry sources calculate that if the price were to fall to \$29 a barrel, the saving for Italy would be 2 trillion lire (about \$1.5 billion) a year.

That is described as a conservative estimate. If the oil-price reductions weaken the dollar, which is believed likely, the savings in foreign currency could be considerably larger.

Italy last year spent more than \$20 billion on oil, and with the figures for the last months not yet fully calculated, some estimates go as high as \$22 billion. The weight of this expense is reflected in the fact

that as recently as 1979 the annual oil bill was \$10 billion.

Italy last year had a balance-of-payments deficit of 7.5 trillion lire. In other words, there would have been a balance-of-payments surplus if only the oil bill had been a third less.

Secondly, the oil-price drop is expected to immediately cut production costs of Italian industries and thus make them more competitive internationally, according to Bruno Provodiani, a senior consultant for *Il Banco del Lavoro*, one of Italy's major banking institutions.

But Mr. Provodiani cautioned that not all the consequences of the oil-price drop may be favorable. What if it worsened the world recession, he asked. He added that there may be changes in international trading patterns that are difficult to foresee.

Other sources said that Italy is a major exporter of industrial goods to the oil-producing countries of the Mideast. They also noted that Italian companies are among the

leading contractors and engineering firms building such ambitious projects as petrochemical plants and airport facilities in such countries as Saudi Arabia and Iran.

Some of these contracts have been negotiated together with Italian oil companies. In some cases, like Iran and Iraq, building contracts may be canceled because of falling oil revenues.

According to oil specialists in Rome, Italy currently is buying 27 percent of its oil from Saudi Arabia. Iran, which has been selling oil cheaply at spot prices, is next, with 11 percent. The Soviet Union and Libya follow with 10 percent each, and Egypt and Iraq are next, with 7 percent each. The rest coming from a variety of foreign sources.

Italy is also importing natural gas from the Soviet Union and the Netherlands, in addition to extracting its own near Trieste.

"This is an occasion we must not lose, we have 12 to 18 months to adjust. And to reduce our public debt without major cost to the citi-

zens," said Giovanni Magnifico, the director general of the Banca d'Italia, Italy's central bank, at a public meeting this week.

Banking sources here expect the government to pass the savings on oil imports on to Italian industry, to make it more competitive, but not to the Italian consumer. The price of gasoline, which stands at about \$3 a gallon, is expected to remain the same.

Italy has a huge government deficit of 14 percent of its gross national product. In Europe, only Belgium has a comparable public debt. In the United States, 5 percent of the gross national product is taken up by the federal budget deficit.

The heavy weight of the oil bill, which is now at least being reduced, has long been one of the worst headaches of Italian government economists. But over the years succeeding governments have been slow in dealing with the problem because conflicting regional and political interests prevented a consensus.

A first step was made a month

ago, when employers and unions, at the government's prodding, concluded an "historic" agreement to modify the Scala Mobile, the long-standing wage-indexing system under which wages have been growing faster than living costs. The agreement also includes measures to improve productivity in factories.

But ironically, at least in the near future, the agreement increased the fiscal burden of the state because the government, which is the third partner in the agreement, agreed to compensate lower-paid workers for part of the losses they incur under the agreement.

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Two years ago, under Prime Minister Francesco Cossiga, a 10-year program was adopted.

Since then the reliance on oil has been reduced from about 80 to 65 percent of the country's energy needs.

Electricity output has been increased from domestic hydroelectric power and imported coal. Electrical power also is imported from Switzerland and Austria.

Last Tuesday, the government announced that construction on three large nuclear-power stations would begin within two years. This was considered one of the major events in energy policy in several years.

So far, Italy has only three nuclear-power plants, which together produce about 5 percent of its electricity. A fourth plant is being built.

Bull Markets that are Still Just Starting

Quadrupling Action May Foretell Gains Running to 1000%

Apple Computer and Infotron have now been earliest IOG recommendations of mid-1982 to quadruple in the ensuing bull-market eruption—the first from \$11 to \$47 and the second from \$8 to \$35. But in newest weekly "Equity Growth" reports we've been demonstrating with charts and industry scenarios why we feel there will eventually be \$100 and \$200 price tags on growth issues such as Amdahl, Apple, Control Data and Harris which have just completed earliest multiple advances. We've also explained why the steadily-growing IOG fund has been buying gold again near \$300 in the face of an oil scare just as it bought near \$400 and \$300 during the November Kremlin invasion and last June's terminal credit-squeeze panic. Write, phone or fax for a series of complimentary reports.

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The undersigned announces that the Annual Report for 30th September, 1982 of the Brussels-based European Banking Co. against Banco Industrial de Venezuela for repayment of \$31.6 million.

Mr. Sosa wants to include Banco Industrial and other state banks in his rescheduling plan, which will be undermined if creditors insist on defaults, banking sources said.

Bankers in London said Friday that major creditors were likely to hold off, although some other loans were technically in default.

But they said the currency-defense measures had been long overdue and more steps might be necessary, among them budget cuts, import restrictions and reform of Venezuela's tax laws.

Mr. Sosa's task will be complicated by a default action begun

by the union, one oil worker said. In several meetings with union leaders, Mr. Beteta has spoken with sufficient firmness to have created the expectation—or fear—that things might change. But his aides have no illusions that it will be easy to weaken the union's grip.

Asked whether fewer contracts would be controlled by the union, one official said: "Perhaps not fewer, but certainly not more."

Since taking office, Mr. de la Madrid has reiterated his campaign pledge to clean up corruption in all sectors. And, according to his aides, the president knows well how Pemex and its union have just run. "Just be patient," one official said. "We haven't finished with Pemex yet."

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Friday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street.

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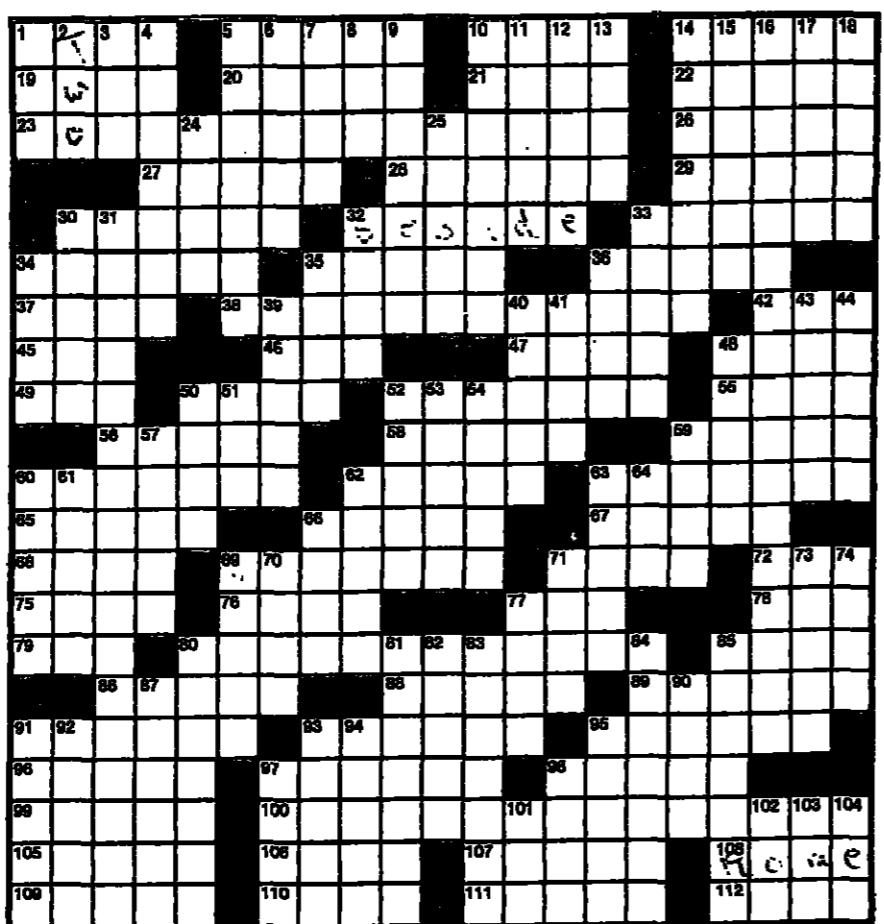
1 Kitchen emanation
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14 Ham's acknowledgment
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26 Jack roll
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34 Page of songbook
37 Valya is one
38 Take it all back
39 Had the flu
39 Scrubs the room
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33 Cos., Ryan et al.
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68 Common or proper word
69 TV device
71 Flit
72 Otto's don
73 Heidi's milieu
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76 Hawk's delight
78 Silence signal
80 Jesters'
81 mother?
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86 Manifest
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96 He wrote
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100 7 A.M.
101 stamped?
105 Tendril
106 Feminine suffix
107 Weird
108 Small town
109 Curves
110 At no time, to Tennyson
111 Discourage
112 Does

CROSSWORD PUZZLE

Group Dynamics By Carol Dutting



Solution to Last Week's Puzzle

STRINGS	APPLE	LICER	PALM
SPRING	BURIN	TOOKE	CHINE
SPRING	TEED	TRIPLICE	CHINE
SPRING	THAT	HOM	SARA
AUS	PIEDS	ATL	RAIS
REDDA	BATTELLE	ALDIT	ALDIT
ROSE	MOTTE	TEA	LODGE
THE	FEAST	COLA	LODGE
THE	PREST	SHE	LODGE
RELATION	PARADISE	BOY	BOY
OAS	BERLIN	QUIST	BIO
GILB	LINBINGERS	STAB	STAB
COC	POLE	SEE	BAPTISTE
AGGREGATE	HABIT	CAN	AGGREGATE
ALLEGES	CAVE	ADOPTED	BLIND
COMITES	MOE	CONDUIT	BLIND
DAY	EYES	BLIND	BLIND
AHAB	ABU	LYME	RECAP
COLUMBIAN	DRIVER	TLC	GAGA
GOVERN	LAHIE	AYIA	LAHAGA
CAIRO	SHAM	LAHAGA	LAHAGA
CAPE TOWN	SHAM	LAHAGA	LAHAGA
CASABLANCA	SHAM	LAHAGA	LAHAGA
CHICAGO	SHAM	LAHAGA	LAHAGA
JOPENHAGEN	SHAM	LAHAGA	LAHAGA
OPHEL SOL	SHAM	LAHAGA	LAHAGA
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DUNBURGH	SHAM	LAHAGA	LAHAGA
FLORENCE	SHAM	LAHAGA	LAHAGA
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JAS PALMAS	SHAM	LAHAGA	LAHAGA
IMA	SHAM	LAHAGA	LAHAGA
ISSOB	SHAM	LAHAGA	LAHAGA

DOWN	DOWN	DOWN	DOWN
1 Dolt	18 Quilting bee?	44 City of the Ruhr	91 Modern frontier
2 Half a quartet	17 Despise is one	45 "Rocky" actress	92 Restraints dis-
3 Hockey great	18 Wallace and Whiteman	46 Wimpy hit:	93 Fined by
4 "Handit"	19 Wallflower	50 Waste	94 Sample
5 Ballroom dance	20 Sites for drums	51 Place for a don	95 Successor to Best
6 Schisms	25 Do a lawn job	52 Fair	97 She was once
7 Suffix with persist	36 Trunk in a trunk	53 Century plant	98 Held up on TV
8 Sgt. or Cpl.	37 Concerning	54 Bird or Johnson	99 Cause for a civil suit
9 Concerning	10 Two fans?	55 Shady spots	100 Bee follower
10 Tosca's career	11 Companion of Artemis	56 Avian feast	101 Bee with Amman or Assam
11 Companion of Artemis	12 Seine feeder	57 Libyan coin	102 P.O. decision
12 Seine feeder	13 Norwegian fjord	58 Andri or Amaro	103 Sun talk
13 Norwegian fjord	14 Garage sign	59 Keats was one	104
14 Garage sign	15 Divine revelation	60 Run off	
15 Divine revelation		61 Elegance	
		62 Tammany Hall	
		63 Tammany Hall	
		64 Celtic sea god	
		65 Tammany Hall	
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WEATHER

BOOKS

THE MISTS OF AVALON

By Marion Zimmer Bradley. 858 pp. \$16.95. Alfred A. Knopf, 201 East 52nd St., New York, N.Y. 10022.

Reviewed by Maude McDaniel

LET'S see now, Gorlois marries Igraine, who loves Uther, by whom she bears Arthur, who madly sleeps with his sister Morgaine during the Druidic fertility rites as organized by their Aunt Viviane, Lady of the Lake, and Igraine, the Merlin. However, Morgaine loves Lancelot (Lancelot), who yearns for Queen Gwenhwyfar (Guinevere) but is shocked to discover that he also has a yen for Arthur, who obligingly arranges tea for three in the royal bed in hopes of acquiring an heir to the throne, unaware at the time that he has a son by Morgaine. Well, about that covers the first half of the book. Only the confirmed romance addict is likely to stick around another 400 pages to see how it all turns out.

Because of the feminine slant on Camelot, there is very little knightly adventure. Aside from a couple of lackluster jousts, everything is intriguing, jealousy and personal relationships, so that finally we are left with more bawling than brawling as her earlier books.

Part of the trouble is that she has chosen a subject which, treated in a standard fashion, has all the elements of daily afternoon television fare. What's more, in seeking to "outgrow" categories in writing, she enters the lists against centuries full of other writers who deal unforgettable with the Arthur legend. It seems a shame, for the author's goals are chivalrous, her research is obviously extensive, and less formidable competition might have left her in command of the field.

For 800 years, from Geoffrey of Monmouth to Mary Stewart (not to mention Monty Python), artists have told and retold the familiar stories about the historically obscure sixth-century warrior king, in all their convoluted variations. As a moralistic tale, as romance, as legend soaked with ancient enchantments, the poignant vision of Camelot's golden moment in the sun before western history's plunge into the Dark Ages is permanently stirring and has inspired incomparable treatment: Thomas Malory's medieval "Morte d'Arthur," Tennyson's cautionary epic "Idylls of the King," T.H. White's brilliant, idiosyncratic "The Once and Future King." But, as archaeological and historical research begins to yield up growing evidence for the historicity of this fabled king and his interregnum of peace between the Roman and Anglo-Saxon upstarts in Britain, the legend comes down to earth in "The Mists of Avalon," which mixes more than it stirs. When comparisons are made, it is indeed all too inevitable, for it neither improves substantially on the old ideas nor builds up immemorial new ones.

Nevertheless, Bradley shows strength in several areas. In a novel approach, she tells her story from the viewpoint of the women in it, especially Morgaine and Gwenhwyfar, who stand in opposition as symbols of the old and the new. She memorably depicts the inevitable passing of times and religions by her use of the imagery of

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SPORTS

The Story Behind the Signing of Walker Begins to Unfold

Eligibility Compromised in January

By William N. Walker,
New York Times Service

ORLANDO, Florida — Herschel Walker compromised his college eligibility as early as Jan. 15, when his lawyer, Jack Manton, first entered into financial negotiations with the New Jersey Generals, according to a chronology offered by officials of the team and the United States Football League.

Walker's second instance of compromising that eligibility, in fact, what later proved to be his forfeiture of it — came in Athens, Georgia, on the night of Feb. 17, when he signed a standard USFL player contract with J. Walter Duncan, the principal owner of the Generals' and, in sum, Walker's team's general manager.

Those were the two most significant dates in the seven weeks that preceded Walker's signing of a second contract with the Generals this Wednesday, the document that made Georgia's All-American tailback and Heisman Trophy winner a member of the New Jersey team.

The second contract had been made necessary because on Friday, Feb. 18, Walker had used an escape clause in the first one. That day, he said he had changed his mind, that he wanted to remain as an undergraduate at the university and play his fourth and final season for the Bulldogs. But by then he and his agent, Manton, had done enough negotiating to make Walker ineligible under the rules of the National Collegiate Athletic Association, even if no signing had taken place.

The seven-week chronology was reconstructed here at the Generals' training camp by Valek, Chet Simmons, the commissioner of the USFL, and Steve Ehrhart, counsel to the commissioner.

The chronology began on Jan. 5, the second and last day of the USFL's draft of players whose college eligibility had run out. Ehrhart, a 33-year-old lawyer who has represented professional athletes before joining the USFL, and Simmons received a message to call Manton at the latter's office in Cumming, Georgia, near Atlanta.

Manton represented himself as an adviser and lawyer for Walker and his family. He said that he wanted to discuss Walker's future. In that role, there was no challenge to NCAA rules. Still, Simmons said: "We were somewhat taken back. We pointed out that

7-Figure Check; Nothing Deferred

ATHENS, Georgia (UPI) — Jack Manton, the agent who helped Herschel Walker negotiate a professional football contract that made him ineligible to continue playing college football, has revealed that the contract called for all cash and no deferred payments.

"He [Walker] received check ... that contained seven figures, enclosed it, then gave it to his mother and told her to put it in the bank," Manton said Thursday.

Although the exact worth of the contract has not been made public, Manton said it was guaranteed by the owner of the New Jersey Generals, J. Walter Duncan, "whose wealth has been investigated and is without question."

The league had clear eligibility rules concerning players with college eligibility remaining, that we wouldn't be interested."

A week went by and Manton called again, saying that Walker wanted to talk directly to a league official.

"Steve Ehrhart talked twice to Herschel on the phone, and Walker said he was interested in playing in our league. In each conversation Steve tried to elicit from him the fact that this was something he wanted to do. We counseled him regarding the jeopardy he could be facing with regard to his own re-enrollment.

At the end of the second week in January, Manton went to New York to consult further with Simmons and Ehrhart. By this time, the legal aspects of the USFL's stance regarding Walker's eligibility and the athlete's desire to pursue a professional career had become important.

To support his belief that the USFL would be unable to enforce its policy of not signing players with college eligibility remaining, Ehrhart took outside counsel. It was agreed that the policy could not be defended easily.

Manton said Walker would be interested only in playing in the metropolitan New York area.

"We then told the Generals of the interest Walker had in the USFL," Simmons said, "and asked if the team would be interested."

Walker held a news conference, denying the existence of any contract or even any serious talks.

Conversations were renewed on Monday among Manton, Duncan, in Oklahoma City, Farkanks and Valek at the Generals' camp here.

On Tuesday Valek flew to Albus where he met with Walker at the athlete's apartment. The second contract, a duplicate of the first but without a withdrawal clause, was presented by the New Jersey Generals, then issued a pub-

"Sometime that week," Valek said, "we received a phone call from Jack Manton and set up a date for a meeting."

It was held in Orlando on Feb. 9 and was attended by Manton and Robert Newsome, a friend of the Walker family. For the Generals, Duncan flew from his home in Oklahoma City and was joined by Chuck Fairbanks, the team's president and coach, and also Valek.

"We met at a hotel here and we basically came to an agreement," Valek said.

One week later the scene shifted to New York. At the USFL office, Manton, Duncan, Ehrhart and Charlie Theokas, the league's vice president for marketing, agreed upon a contract that Manton said would be acceptable to Walker.

It was presented the next day to Walker. Duncan and Walker met in Athens for the first time and signed the player contract which had in it an addendum. "Walker [Duncan] gave Walker the opportunity to sleep on it, to change his mind," Simmons said.

Walker did change his mind, he said he was convinced that Walker did not really want to turn professional at that time. "I talked to him on the telephone two days ago," the coach said, "and although I can't tell you how he really feels, the tone of his voice told me that he was not excited about his decision. I think I know Herschel, and he just got caught playing with fire. I hate to call \$5 million fire because it's a wonderful contract, but I don't think it was what he wanted to do. The terms of Walker's contract have not been made public.

Dooley, as well as most of Georgia's followers here, still are confused about what really happened last week when Walker signed an agreement with the New Jersey Generals, then issued a pub-

lic denial. The denials came during a news conference that Walker and Dooley held here last Friday. "I believe in Herschel," Dooley said. "I wanted to believe him."

By last Monday morning, the episode appeared over. Dooley went to Colorado on business, and Walker resumed training for Saturday's Southeastern Conference track meet. Then, USFL officials came to the Georgia campus, looking for the National Football League's its rule against drafting underclassmen last year.

But now Dooley was worried. The telephone call from Los Angeles had been followed by others. "I was caught completely by surprise," he said Thursday. "Herschel had survived all those rumors, and there was no doubt in my mind that he would be at the University of Georgia next season. I think he wanted to finish his four years, get a degree and set records that might never be broken. I really think he wanted to represent the United States of America in the Olympics."

Dooley still believes that. He said he is convinced that Walker did not really want to turn professional at that time. "I talked to him on the telephone two days ago," the coach said, "and although I can't tell you how he really feels, the tone of his voice told me that he was not excited about his decision. I think I know Herschel, and he just got caught playing with fire. I hate to call \$5 million fire because it's a wonderful contract, but I don't think it was what he wanted to do. The terms of Walker's contract have not been made public.

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POLAR VOYAGE — A Swedish Air Force transport plane took a tired national ski team to Gällivare on Friday for weekend slalom and giant slalom races. The competitions will be the first World Cup events to be held north of the Arctic circle.

U.S. Offers 16 Stadiums for Soccer Cup

Compiled by Our Staff From Dispatches

NEW YORK — The U.S. Soccer Federation has lined up 16 stadiums as possibilities for its 12 sites, should it win the bid to hold the 1986 World Cup soccer tournament.

At a meeting in Stockholm May 19 of the Federation Internationale de Football Association, the United States will be competing with Brazil, Canada and Mexico in an effort to be selected the host for the tournament. Applications, along with a list of 12 stadiums, have to be submitted by March 11.

Werner Fricker, chairman of the U.S. delegation making the presentation, said he would like to propose Giants Stadium in East Rutherford, New Jersey, for the opening and closing ceremonies.

However, arrangements for potential games at Giants Stadium have not been made final. For one, the size of the playing field would have to be enlarged by a few yards on each corner, and the artificial turf would have to be replaced for the World Cup in the United States.

Other possible sites, some of which have similar problems, include the Rose Bowl in Pasadena, California; Soldier Field in Chicago; the Los Angeles Coliseum; John F. Kennedy Stadium in Philadelphia; Robert F. Kennedy Stadium in Washington; the Orange Bowl in Miami; the Tangerine Bowl in Orlando, Florida, and Civic Stadium in Portland, Oregon. The other sites are college stadiums: Duke, Harvard, Michigan,

Princeton, Cornell, Columbia, Yale, Penn State, Michigan, Ohio State, Stanford, Oregon, Washington, Oregon State, Stanford, Washington, and the University of Texas.

Fricker, meanwhile, has pledged to generate more gate revenue than the 1982 World Cup in Spain. He listed lucrative income at the gate as one reason why it would be to the advantage of FIFA to hold the World Cup in the United States.

"We can show that having the World Cup here in 1986 would be good for gate income, TV rights and marketing income," Fricker said. "We can produce higher gate income than the previous World Cup — \$20 million. And we could say that we would double that figure — but we won't. We'll just say it would be higher than any other World Cup."

Fricker was speaking at a news conference Thursday in New York.

NHL Standings

TRANSITION

WALES CONFERENCE

POINT DIVISION

BASKETBALL

AMERICAN LEAGUE

WESTERN CONFERENCE

ATLANTIC DIVISION

FOOTBALL

CANADIAN FOOTBALL LEAGUE

EDMONTON-NAMED PETE KATHAN HEAD COACH

PHILADELPHIA-NAMED PETE KATHAN HEAD COACH

KANSAS-NAMED CT. HANLEY ON CAPTAIN

GOLF COACH

UNITED STATES FOOTBALL LEAGUE

ARIZONA-NAMED MARK KURT, HEAD COACH

LOS ANGELES-NAMED CORD MCNAUL, HEAD COACH

SOCCE

MILITARY SOCCER LEAGUE

GOLD CUP—PURCHASED THE CONTRACT OF LORENZO TERRINI, MIDFIELDER

NEW YORK ARROWS—PURCHASED DON FORD, MIDFIELDER

WORLD MILITARY SOCCER LEAGUE

SEASIDE—ANNOUNCED THE RESIGNATION OF JOHN HOGG, PRESIDENT AND GENERAL MANAGER

COLLEGE

SOUTHERN CAL-NAMED PETE MORRIS, DON RHO AND DAVE WOODWARD ASSISTANT HEAD COACHES

NBA Standings

ATLANTIC CONFERENCE

ATLANTIC DIVISION

PHILADELPHIA

ATLANTA

NEW JERSEY

BOSTON

DETROIT

INDIANA

MIAMI

NEW ORLEANS

PHILADELPHIA

PHOENIX

DETROIT

INDIANA

MIAMI

NEW ORLEANS

PHILADELPHIA

PHOENIX

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MIAMI

NEW ORLEANS

PHILADELPHIA

PHOENIX

DETROIT

INDIANA

ART BUCHWALD

Buy Low, Sell High

WASHINGTON — There is quite a flap going on between the People's Republic of China and the United States concerning some railroad bonds the Manchu Dynasty issued in 1911 to build a rail line between Canton and Peking (now called Beijing by the Communists).

A federal judge in Alabama ruled that the current Chinese government had to make good on the bonds held by Americans which have been in default since 1930.

The Communist government now in power refuses to honor the judge's decision, and is threatening to seize U.S. assets in China if the United States makes any move to seize Chinese property in the United States to pay off the \$41 million plus 5 percent the judge ordered Peking to remit.

I have a friend named Marvin Kitman, who is the TV critic for Newsday on Long Island. In 1963 he was a free-lance writer and one day he said to me, "I think I can get out of this rat race."

"How so?" I asked him.

"I'm putting every last nickel I own in Chinese Imperial Railroad Bonds."

"But you don't have any money."

"That's the point. They're now selling on the market for \$10 on the thousand. For 200 bucks, I can own \$20,000 worth."

"But if you can get them that cheap, they must be worthless."

"How can they be worthless?" he said. "They're backed in gold by the Manchu Dynasty."

"Where did you get the tip on the bonds?"

"If you promise not to tell anybody, I found it in a fortune cookie. It said, 'This is your lucky day. Invest in the Hukuang Railways Sinking Fund.'

"You found that in a fortune cookie?"

"It was a very old, soggy fortune cookie, and didn't taste very good, but the message was loud and clear. I'm only passing the information on to you because you're a friend, and because I've invested so heavily in railroads, I can't afford to pay for my lunch."

A few years later I met Marvin on the street.

"How are you doing with your investment?"

"My bonds are worth 500 per cent when they were high."

thousand," he said. "On paper I've doubled my investment."

"How did that happen?"

"When I placed my order with Merrill Lynch I drove up the price up. You'd be amazed what \$200 can do to the market in defaulted Chinese railroad bonds."

"Why don't you sell out, and take your \$400?"

"First, because the CIA reports the railroad is going strong, and secondly, I've been reading Time magazine and they still believe Chiang Kai-shek will take back the mainland. Once he does I could make my big score. I'm now the biggest holder of Hukuang Railways Bonds in northern New Jersey."

The years passed and Marvin and I lost touch. Then I read a story in The Wall Street Journal that a federal judge had ruled in favor of 280 bondholders in a class action suit against the Chinese government. I immediately called Kitman to congratulate him.

"I have to hand it to you," I said. "Merrill Lynch is not going to call you 'Crazy Marvin' any more."

He said modestly, "I can't take all the credit. I owe a lot to Nixon."

"Why Nixon?"

"He opened up new relations with the People's Republic. If he hadn't, we never could have sued them. I wouldn't be surprised if Nixon owned some Hukuang Bonds."

"What happens now, Marvin, if the Chinese refuse to pay off on the sinking fund?"

"I intend to seize three Chinese restaurants in New York City. Peking has to realize they can't flout a federal judge's order on defaulted railroad notes and get away with it. The integrity of Wall Street's bond market is at stake."

"I'm happy for you, Marvin, but I have to tell you something. I never did buy that story that you found the tip on the Hukuang Railways in a fortune cookie. Tell me the truth. Why did you invest?"

"The truth? Okay. One day I interviewed J.P. Morgan, I asked him, 'What is the secret of your success?' and he replied, 'I always bought Chinese Imperial Bonds when they were low, and I always sold Chinese Communist bonds when they were high.'

"I was scared to death at the idea of playing a man," Hunt conceded. "But I was drawn to Kwan. I was drawn to his relationship to the people of Indonesia and to his passion about injustice; to his involvement with his own size and with the whole mythology of dwarfs and the kind of power they have; to his love for Jill and his inability to act that out; to his need for heroes, both in relation to Guy and in relation to Sukarno."

Hunt's smallness has affected far more than her career opportunities. "My size totally informs my feelings and attitudes," she said. "I think that's true of all of us, in living inside the bodies we live inside of; it totally colors who we are. As an actor, if you have a particularly dramatic physical presence — because you're tiny, because you're really beautiful or have an eccentric face or whatever — it's a very exciting opportunity to make a kind of statement."

"As an actor, I have an almost political feeling about my size," she added. "We tend to judge people so much from what they appear to be physically. To open people's eyes about how circumscribed we are, in terms of our physical perceptions of things, is a political action."

"When you look at someone who is crippled or deformed or very small or outrageously tall, you immediately feel their sense of difference, of isolation. To be able to reveal, in the course of a film or play, the way in which we are all connected — not only our separateness, but our mutuality, our commonness — is very exciting to me."

If there have been dark days in her past, the present seems an exhilarating time. "I feel in my life now a configuration of energy that is connected to me, as I am connected to it," she said. "I believe very strongly in cycles, in rhythms. I have spent periods when I was deeply depressed and not able to do anything, but I have learned to ride out those rhythms, to trust them. I believe that when you're in a funk you must have it, you must get into it and come out the other side. But conversely, when there is a gathering of energy you must go out to greet it, to embrace it. I am running to do that now."

Linda Hunt

By Leslie Bennetts
New York Times Service

NEW YORK — In Peter Weir's film "The Year of Living Dangerously," Linda Hunt plays the pivotal role of Billy Kwan, a male Eurasian dwarf. At the American Place Theater, she has been appearing as Joan of Arc in the critically acclaimed "Little Voices."

As if that were not enough, she has moved on to "Top Girls," the hit Caryl Churchill play that just reopened at the Public Theater with an American cast. The original British cast has returned to England, and Hunt plays Pope Joan, who became pontiff in the ninth century, according to legend.

Although she is certainly busy, Hunt's schedule would be less remarkable were it not that she gave up her acting career before she had even begun.

She had wanted to be an actress all her life. "I can't remember a time when I didn't want to do it," she said. But by the time she left the Goodman School of Drama in Chicago and came to New York, she had already resigned herself to the idea that she would never act. "I was told that my size would be so limiting for me as an actor that I would not be cast," said the 37-year-old actress, who is 4 feet 9 inches tall and weighs 80 pounds. And so she set out to become a director.

But she was miserable, and after three dispiriting years of "floundering about," she went home "in despair" to Westport, Connecticut, where she spent a terrible winter trying to come to grips with what she wanted to do.

What she wanted to do was act, and after that turning point, Hunt returned to New York determined to become an actress. That was 10 years ago, and she has been a working actress ever since. This season has marked something of a breakthrough, however, both because she is so much in demand and because of her first major movie role.

Whatever the challenges of her current stage parts, they hardly compare with the difficulties of playing a man in "The Year of Living Dangerously," which is set in Indonesia in 1965, during the Sukarno regime. Billy Kwan is a wise, compassionate character who befriends a brash Australian journalist named Guy Hamilton, played by Mel Gibson. Kwan introduces him to Jill Bryant, a British Embassy attaché played by Sigourney Weaver, whom Kwan loves but is terrified of.

In fact, she turned in a performance so convincing that many moviegoers who are not already aware that Kwan is played by a woman never guess until the film is over and the final credits show a woman's name.

Hunt's only movie experience before "The Year of Living Dangerously" was a brief appearance in "Popeye" as the tiny mother of Oxblood Orseth, a giant.

Her stage credits are more extensive. Last year she appeared off-Broadway in "A Met-

A 4-Foot-9, 80-Pound Actress Tackles Roles Ranging From a Male Dwarf to a Female Pope

Nancy Kyes, The Washington Post

and to his sense of being an outsider — because of being a Eurasian and therefore a hybrid, not one thing nor the other.

"I have my own version of that feeling, obviously having to do with what I've had to deal with in terms of my size. I also identified with Kwan's desire to have an effect, to create change; Kwan is one of those people who believe one person can make a difference, and at my best moments I have a sense of that about acting — that one can make a contribution."

Hunt was only cast as Kwan because Peter Weir, the film's director, was desperate after a long search for the right male actor had failed to turn up anyone he was satisfied with, and because he had run out of time. Filming was about to begin.

"My first worry was that I couldn't do it, that no one would believe it," Hunt said. "The most I ever hoped for was that once people had decided Kwan was played by a woman, they would make a leap into the character and it would no longer matter. But I was terrified 95 percent of the time."

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Her television credits include the Long Wharf production of "Ah, Wilderness" for public television and the role of a woman jockey in a television drama written by Arthur Miller.

"I've been very lucky," she acknowledged. "I have not had to work outside the theater in the last 10 years. I've had to live hand to mouth from time to time, and I've had help from friends, but I have managed."

She has found the early warnings about her size to be only partly true. "Of course, it does limit me," she observed, "but there is a flip side to it, and Kwan is a perfect example of that. I would never have had the opportunity to play that role had I been this small person."

Hunt's smallness has affected far more than her career opportunities. "My size totally informs my feelings and attitudes," she said. "I think that's true of all of us, in living inside the bodies we live inside of; it totally colors who we are. As an actor, if you have a particularly dramatic physical presence — because you're tiny, because you're really beautiful or have an eccentric face or whatever — it's a very exciting opportunity to make a kind of statement."

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"When you look at someone who is crippled or deformed or very small or outrageously tall, you immediately feel their sense of difference, of isolation. To be able to reveal, in the course of a film or play, the way in which we are all connected — not only our separateness, but our mutuality, our commonness — is very exciting to me."

If there have been dark days in her past, the present seems an exhilarating time. "I feel in my life now a configuration of energy that is connected to me, as I am connected to it," she said. "I believe very strongly in cycles, in rhythms. I have spent periods when I was deeply depressed and not able to do anything, but I have learned to ride out those rhythms, to trust them. I believe that when you're in a funk you must have it, you must get into it and come out the other side. But conversely, when there is a gathering of energy you must go out to greet it, to embrace it. I am running to do that now."

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PEOPLE**Dissent on TV Surgery**

American college lecturers to improve his knowledge of British culture, according to the official.

The Afrikaans author Andre Brink, whose works have often been banned in South Africa, received France's highest civilian award — the Legion of Honor — at the French Embassy in Cape Town. Ambassador Francois Plessis presented the award to the retired insurance salesman who underwent a triple-bypass surgery seen by thousands in color, was reported making a normal recovery at St. Joseph's Hospital in Phoenix. The telecast, broadcast live on many Public Broadcasting stations throughout the United States, was thought to be the first for television.

The doctors who organized the telecast said the picture may have been strong medicine for some viewers but the impact might do potential heart patients some good.

"It's easy to talk to a patient," said Dr. Edward B. Dirschler, who performed the surgery. "But when you show them pictures, you get their attention very quickly. This may well have a strong impetus for someone to take preventative measures. I think some people are going to stop smoking and go on a diet."

Dr. Michael S. Noguchi, who organized the surgery, said: "We tend to judge people so much from what they appear to be physically. To open people's eyes about how circumscribed we are, in terms of our physical perceptions of things, is a political action."

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